

MONTECITO FIRE PROTECTION DISTRICT

Agenda for the Regular Meeting of the Board of Directors

August 24, 2020 at 2:00 p.m.

The Special meeting will be held via teleconference connection as permitted under the Governor's Executive Order N-29-20, dated March 17, 2020 due to concerns of COVID-19 ("Executive Order").

Members of the public will be able to observe the Special meeting and provide public comments via Zoom: <https://zoom.us/j/94382618420> or by calling 1-669-900-6833, meeting ID: 943 8261 8420. Any member of the public who would like to provide public input on an item listed on the agenda may utilize the "Raise Hand" feature through the Zoom App or enter "*9" if participating by telephone only. The host will be notified and you will be recognized to speak on the agenda item in the order such requests are received by the District.

Agenda items may be taken out of the order shown.

1. Public comment: Any person may address the Board at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District. (30 minutes total time allotted for this discussion.)
2. Receive presentation from PARS/Highmark representatives, Mitch Barker and Tory Milazzo, regarding the District's post-retirement benefits trust investment plans. (Strategic Plan Goal 9.1)
3. Consider declaring Prevention 98 as surplus and authorize the Fire Chief to sell, donate, or dispose of the vehicle as specified in the Surplus Property policy. (Strategic Plan Goal 6)
 - a. Staff report presented by Chief Taylor.
4. Report from the Finance Committee. (Strategic Plan Goal 9.1)
 - a. Review PARS Post-Employment Benefits Trust statements for May and June 2020.
 - b. Consider recommendation for contribution schedule to PARS Pension Trust.
 - c. Consider recommendation to approve Financial Summary for FY 2019-20.
 - d. Review the recommended Final Budget for FY 2020-21.

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Agenda for Regular Meeting, August 24, 2020
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5. Approval of Minutes of the July 27, 2020 Regular Meeting.
6. Fire Chief's report.
7. Board of Director's report.
8. Suggestions from Directors for items other than regular agenda items to be included for the September 28, 2020 Regular Board meeting.

Adjournment

This agenda posted pursuant to the provisions of the Government Code commencing at Section 54950 and the Executive Order. The date of the posting is August 20, 2020.



Kevin Taylor, Fire Chief

Note: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District office at (805) 969-7762. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements. Board packets are available for public inspection during normal business hours at Montecito Fire Protection District Headquarters. Further, as required under the Executive Order the District will swiftly resolve any requests for a reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolve any doubt whatsoever in favor of accessibility.

Agenda

Item #2

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



MONTECITO FIRE PROTECTION DISTRICT

OPEB Pre-Funding Trust &
Pension Rate Stabilization Program (PRSP) Trust Client Review
August 24, 2020

CONTACTS



Mitch Barker
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Tory Milazzo, CFA
Senior Portfolio Manager
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Angela Tang
Client Services Coordinator
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PARS 115 TRUST TEAM

Trust Administrator & Consultant



- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

36

Years of Experience
(1984-2020)

1,500+

Plans under
Administration

1,000+

Public Agency
Clients

500K+

Plan Participants

\$4.2B

Assets under
Administration

Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts.
- Safeguard plan assets,
- Oversight protection as plan fiduciary
- Custodian of assets

157

Years of Experience
(1863-2020)

\$5.0T

Assets under
Administration

Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

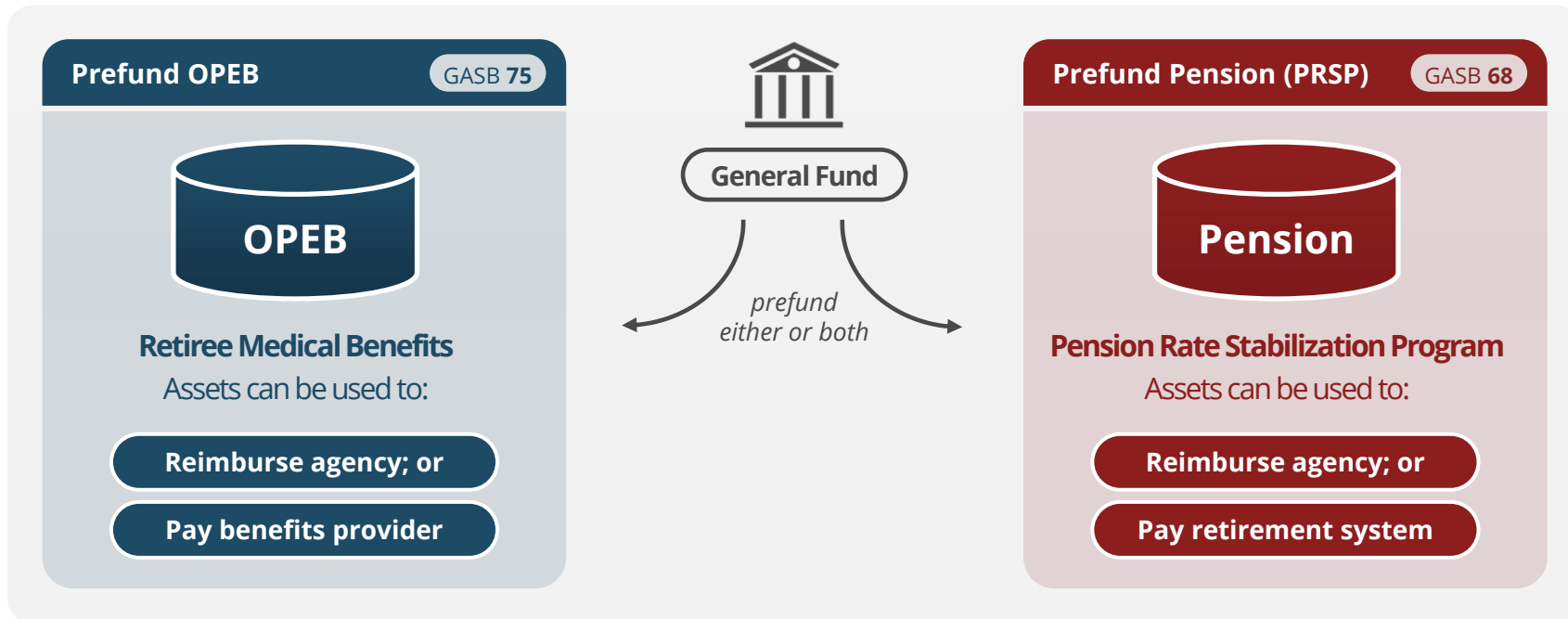
101

Years of Experience
(1919-2020)

\$16.2B

Assets under
Management

PARS IRS-APPROVED SECTION 115 TRUST



Subaccounts
 OPEB and pension assets are individually sub-accounted, and can be divided by dept., bargaining group, or cost center

Financial Stability
 Assets in the PARS Section 115 Combination Trust can be used to address unfunded liabilities.

Flexible Investing
 Allows separate investment strategies for OPEB and pension subaccounts.

Anytime Access
 Trust funds are available anytime; OPEB for OPEB and pension for pension.

Economies-of-Scale
 OPEB and pension assets aggregate and reach lower fees on tiered schedule sooner – saving money!

No Set Up Cost or Minimums
 No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.

SUMMARY OF AGENCY'S OPEB PLAN

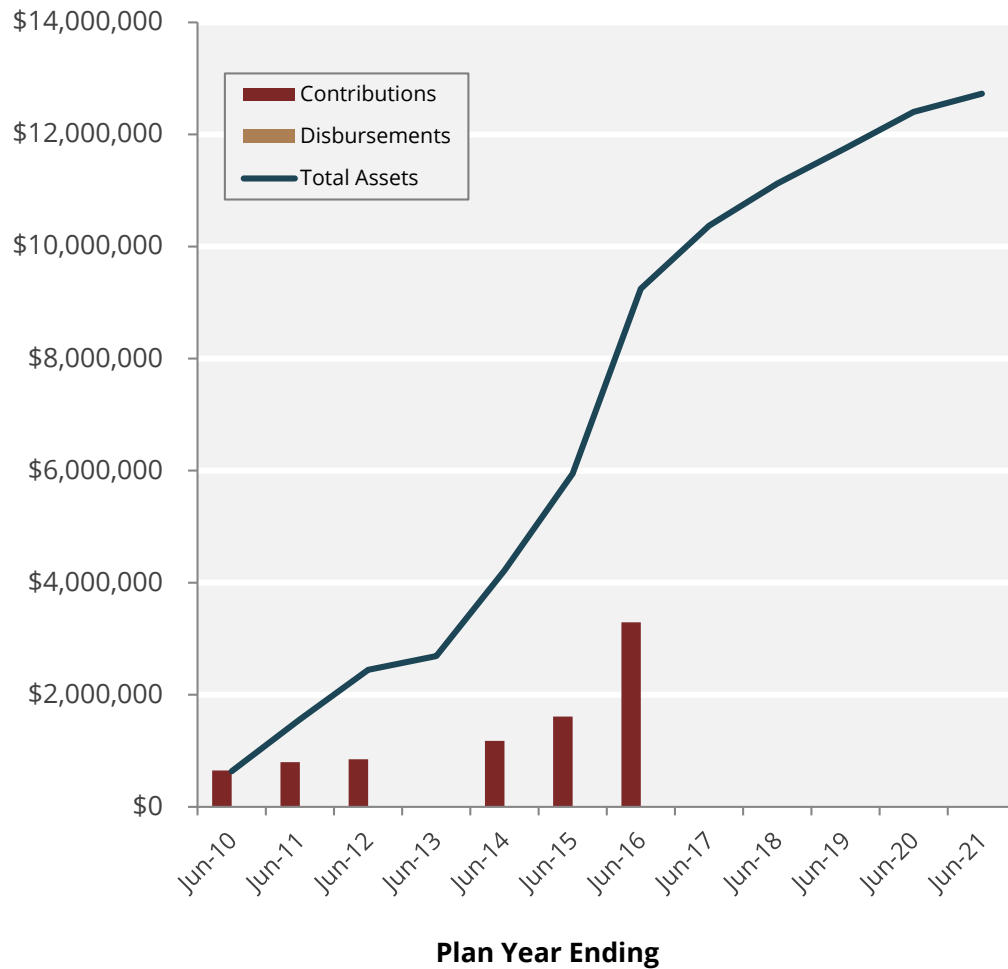
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	October 19, 2009
Plan Administrator:	Fire Chief
Current Investment Strategy:	Moderately Conservative HighMark Plus (Active) Strategy; Individual Account <i>*From February 2014 to December 2019, in the Balanced HighMark Plus Strategy</i> <i>**Prior to February 2014, in Moderate HighMark Plus Strategy</i>

AS OF JULY 31, 2020:

Initial Contribution:	January 2010: \$650,000
Additional Contributions:	\$7,725,803
Total Contributions:	\$8,375,803
Disbursements:	\$0
Total Investment Earnings:	\$4,679,944
Account Balance:	\$12,728,417

SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JULY 31, 2020:



Year	Contributions	Disbursements	Total Assets
Jun-10*	\$650,000	\$0	\$633,471
Jun-11	\$796,000	\$0	\$1,559,356
Jun-12	\$849,899	\$0	\$2,443,688
Jun-13	\$0	\$0	\$2,690,912
Jun-14	\$1,175,856	\$0	\$4,217,056
Jun-15	\$1,610,136	\$0	\$5,946,091
Jun-16	\$3,293,912	\$0	\$9,247,387
Jun-17	\$0	\$0	\$10,372,284
Jun-18	\$0	\$0	\$11,123,664
Jun-19	\$0	\$0	\$11,754,374
Jun-20	\$0	\$0	\$12,402,086
Jun-21**	\$0	\$0	\$12,728,417

*Plan Year Ending June 2010 is based on 6 months of activity.
 **Plan Year Ending June 2021 is based on 1 month of activity.

SUMMARY OF AGENCY'S PENSION PLAN

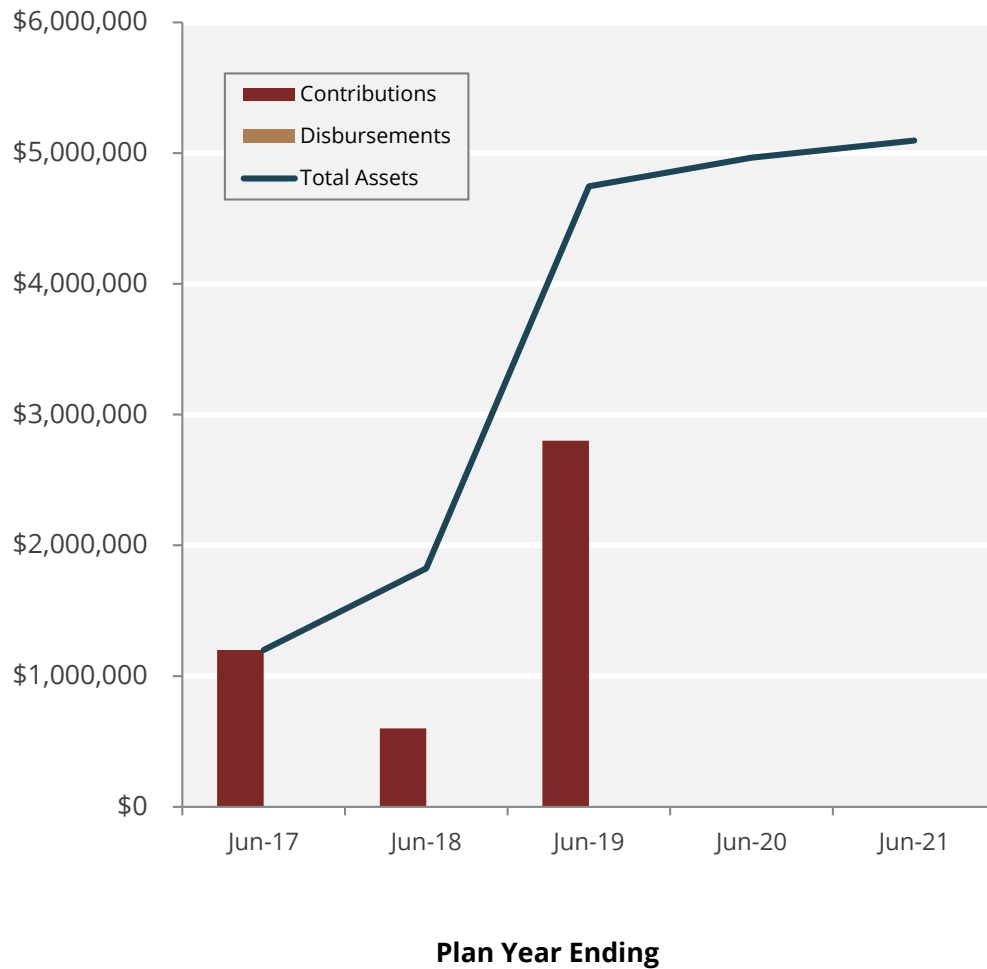
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	May 22, 2017
Plan Administrator:	Fire Chief
Current Investment Strategy:	Moderately Conservative HighMark Plus (Active) Strategy; Individual Account

AS OF JULY 31, 2020:

Initial Contribution:	June 2017: \$1,200,000
Additional Contributions:	\$3,400,000
Total Contributions:	\$4,600,000
Disbursements:	\$0
Total Investment Earnings:	\$535,650
Account Balance:	\$5,095,923

SUMMARY OF AGENCY'S PENSION PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JULY 31, 2020:



Year	Contributions	Disbursements	Total Assets
Jun-17*	\$1,200,000	\$0	\$1,200,026
Jun-18	\$600,000	\$0	\$1,823,878
Jun-19	\$2,800,000	\$0	\$4,746,027
Jun-20	\$0	\$0	\$4,965,271
Jun-21**	\$0	\$0	\$5,095,923

*Plan Year Ending June 2017 is based on 1 month of activity.
 **Plan Year Ending June 2021 is based on 1 month of activity.

PARS: Montecito Fire Protection District July 31, 2020

Presented by:
Tory Milazzo, CFA, Senior Portfolio Manager, Director

DISCUSSION HIGHLIGHTS – Montecito Fire Protection District

Investment Objective – Moderately Conservative HighMark Plus (Active)

Asset Allocation (as of 07/31/2020)

- Stocks 30.6% (40%-60%); Bonds 64.7% (40%-60%); Cash 4.7% (0%-20%)
- Equity Allocation: Large cap 18.5%, Mid cap 2.1%, Small Cap 3%, International 6.4%

Performance (as of 07/31/2020) *Gross of investment fees, net of fund level fees*

- Montecito OPEB
 - At December 2019 reduced risk to Moderately Conservative strategy from previous Balanced strategy.
 - One Year time period: 8.2%, Since Individual Account Inception (2/2010) : 7.75%
- Montecito Pension
 - One Year time period: 7.7%. Since Inception (July 2017): 5.87%
- General Performance Commentary
 - Fixed Income holdings have out performed their benchmark during the most recent 3-4 months as asset values have rebounded. During the twelve month period our tilt toward credit exposure and underweight to U.S. Treasury bonds along with a corresponding underweight to interest rate risk had driven underperformance vs. the Barclays Aggregate benchmark.
 - Domestic large cap equity has outperformed during the YTD and market rebound time period, while modestly trailing the S&P500 benchmark for the 12 month time period. The mid-cap allocation reflects a passive index investment, while our small cap active managers have trailed in the 12 month time period, they continue to demonstrate strong long term out performance. International equities have shown good relative performance during recent volatility, and also demonstrate outperformance vs. their benchmark for the 1 year and 3 year time periods.

	2020	2020	2021
	Previous Assumptions	Revised Assumptions	Assumptions
GDP	1.9% - 2.5%	-4.3% - -6.3%	2.5% - 4.0%
S&P500 earnings	\$172 – \$178	\$120 – \$130	\$145 – \$155
Unemployment	3.70%	7 – 10%	5.5%
Core PCE Inflation	1.7% - 2.0%	1.6% - 1.9%	1.75% - 2.00%
Fed Funds Target	1.25% - 1.75%	0% - 0.25%	0% -0.5%

ASSET ALLOCATION - PARS/MONTECITO FPD

As of July 31, 2020

Current Asset Allocation		Investment Vehicle		
Equity		Range: 20%-40%		30.56%
Large Cap Core	COFYX	Columbia Contrarian Core Inst3		3.40%
	VGIAX	Vanguard Growth & Income Adm		7.67%
Large Cap Value	DODGX	Dodge & Cox Stock Fund		2.46%
	IVE	iShares S&P 500 Value ETF		0.97%
Large Cap Growth	HNACX	Harbor Capital Appreciation Retirement		2.04%
	PRUFX	T. Rowe Price Growth Stock I		1.94%
Mid Cap Core	IWR	iShares Russell Mid-Cap ETF		2.13%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Val R6		1.47%
Small Cap Growth	RSEJX	Victory RS Small Cap Growth R6		1.57%
International Core	DFALX	DFA Large Cap International I		1.75%
International Value	DODFX	Dodge & Cox International Stock Fund		1.15%
International Growth	MGRDX	MFS® International Growth R6		1.17%
Emerging Markets	HHHFX	Hartford Schrodgers Emerging Mkts Eq F		2.31%
Real Estate	VNQ	Vanguard Real Estate ETF		0.53%
Fixed Income		Range: 50%-80%		64.70%
Short-Term	VFSUX	Vanguard Short-Term Investment-Grade Adm		11.61%
Intermediate-Term	DBLFX	DoubleLine Core Fixed Income I		17.68%
	PTTRX	PIMCO Total Return Instl Fund		17.47%
	PTRQX	Prudential Total Return Bond Fund Class Q		17.95%
Cash		Range: 0%-20%		4.73%
	FGZXX	First American Government Oblig Z		4.73%
TOTAL				100.00%

Account Name: Montecito FPD OPEB

As of: July 31, 2020

Performance Report

	Market Value	1 Month	3 Months	Year to Date (7 Months)	1 Year	3 Years	Inception to Date 02/01/2010
Cash Equivalents	602,055	.01	.02	.35	1.09	1.51	.50
<i>Lipper Money Market Funds Index</i>		<i>.01</i>	<i>.04</i>	<i>.40</i>	<i>1.11</i>	<i>1.45</i>	<i>.46</i>
Total Fixed Income	8,245,847	1.71	4.67	5.68	7.73	4.79	4.05
<i>BBG Barclays US Aggregate Bd Index (USD)</i>		<i>1.49</i>	<i>2.61</i>	<i>7.72</i>	<i>10.12</i>	<i>5.69</i>	<i>4.15</i>
Total Equities	3,818,539	5.22	14.31	-1.92	5.73	7.73	10.63
Large Cap Funds	2,349,344	5.56	13.96	2.66	11.49	11.25	12.46
<i>S&P 500 Composite Index</i>		<i>5.64</i>	<i>12.87</i>	<i>2.38</i>	<i>11.96</i>	<i>12.01</i>	<i>13.52</i>
Mid Cap Funds	270,623	5.91	15.41	-3.85	2.26	7.27	10.62
<i>Russell Midcap Index</i>		<i>5.87</i>	<i>15.36</i>	<i>-3.79</i>	<i>2.04</i>	<i>7.30</i>	<i>12.48</i>
Small Cap Funds	387,263	2.30	14.05	-11.42	-7.76	5.42	12.70
<i>Russell 2000 Index (USD)</i>		<i>2.77</i>	<i>13.32</i>	<i>-10.57</i>	<i>-4.59</i>	<i>2.69</i>	<i>10.45</i>
International Equities	811,309	5.45	15.13	-5.66	3.48	1.91	4.44
<i>MSCI EAFE Index (Net)</i>		<i>2.33</i>	<i>10.42</i>	<i>-9.28</i>	<i>-1.67</i>	<i>.63</i>	<i>4.71</i>
<i>MSCI EM Free Index (Net USD)</i>		<i>8.94</i>	<i>17.84</i>	<i>-1.72</i>	<i>6.55</i>	<i>2.84</i>	<i>3.90</i>
<i>Wilshire REIT Index</i>		<i>4.38</i>	<i>6.42</i>	<i>-14.17</i>	<i>-9.88</i>	<i>1.30</i>	<i>10.34</i>
Total Managed Portfolio	12,734,075	2.67	7.18	4.06	8.17	7.05	7.75

Returns are gross of account level investment advisory fees and net of any fees including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured have no bank guarantee and may lose value.

Account Name: PARS/MONTECITO FPD 115P - PENSION

As of: July 31, 2020

Account ID: -----4501

Performance Report

	Market Value	1 Month	3 Months	Year to Date (7 Months)	1 Year	3 Years	Inception to Date 07/01/2017
Cash Equivalents	240,989	.01	.02	.35	1.09	1.50	1.48
<i>Lipper Money Market Funds Index</i>		<i>.01</i>	<i>.04</i>	<i>.40</i>	<i>1.11</i>	<i>1.45</i>	<i>1.43</i>
Total Fixed Income	3,301,287	1.71	4.67	5.68	7.71	4.74	4.76
<i>BBG Barclays US Aggregate Bd Index (USD)</i>		<i>1.49</i>	<i>2.61</i>	<i>7.72</i>	<i>10.12</i>	<i>5.69</i>	<i>5.68</i>
Total Equities	1,528,810	5.22	14.31	-1.92	5.66	7.59	7.76
Large Cap Funds	940,578	5.56	13.96	2.66	11.47	11.17	11.29
<i>S&P 500 Composite Index</i>		<i>5.64</i>	<i>12.87</i>	<i>2.38</i>	<i>11.96</i>	<i>12.01</i>	<i>12.41</i>
Mid Cap Funds	108,374	5.91	15.41	-3.85	2.06	7.22	7.56
<i>Russell Midcap Index</i>		<i>5.87</i>	<i>15.36</i>	<i>-3.79</i>	<i>2.04</i>	<i>7.30</i>	<i>7.60</i>
Small Cap Funds	155,044	2.30	14.05	-11.42	-7.76	5.16	5.28
<i>Russell 2000 Index (USD)</i>		<i>2.77</i>	<i>13.32</i>	<i>-10.57</i>	<i>-4.59</i>	<i>2.69</i>	<i>2.86</i>
International Equities	324,813	5.45	15.13	-5.66	3.40	1.84	2.49
<i>MSCI EAFE Index (Net)</i>		<i>2.33</i>	<i>10.42</i>	<i>-9.28</i>	<i>-1.67</i>	<i>.63</i>	<i>1.55</i>
<i>MSCI EM Free Index (Net USD)</i>		<i>8.94</i>	<i>17.84</i>	<i>-1.72</i>	<i>6.55</i>	<i>2.84</i>	<i>4.71</i>
<i>Wilshire REIT Index</i>		<i>4.38</i>	<i>6.42</i>	<i>-14.17</i>	<i>-9.88</i>	<i>1.30</i>	<i>1.63</i>
Total Managed Portfolio	5,098,188	2.67	7.18	4.06	7.69	5.93	5.87

Returns are gross of account level investment advisory fees and net of any fees including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured have no bank guarantee and may lose value

Morningstar Fund Performance

As of July 31, 2020

Fund Name	LARGE CAP			EQUITY FUNDS			
	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	5.95	12.79	4.48	14.11	10.86	10.65	14.08
Vanguard Growth & Income Adm	5.64	13.41	2.14	11.19	11.52	10.99	13.78
Dodge & Cox Stock	2.55	7.87	-12.81	-5.82	3.24	6.23	11.21
iShares S&P 500 Value ETF	3.65	5.91	-12.47	-2.84	4.36	6.50	10.34
Harbor Capital Appreciation Retirement	8.16	26.26	28.12	40.20	23.27	17.54	18.07
T. Rowe Price Growth Stock I	6.81	19.35	16.50	24.58	17.83	15.21	17.09
S&P 500 TR USD	5.64	12.87	2.38	11.96	12.01	11.49	13.84
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	5.87	15.33	-3.85	1.92	7.17	7.67	12.04
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	2.02	8.05	-26.87	-23.08	-5.90	0.53	8.74
Victory RS Small Cap Growth R6	2.56	20.34	5.69	8.61	15.41	10.05	15.33
Russell 2000 TR USD	2.77	13.32	-10.57	-4.59	2.69	5.10	10.07
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	3.58	7.94	-10.84	-5.16	2.98	4.94	9.07
INTERNATIONAL EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Dodge & Cox International Stock	1.49	10.74	-17.22	-7.38	-4.74	-0.60	3.91
DFA Large Cap International I	2.17	11.31	-9.46	-1.14	0.46	2.31	4.80
MFS International Growth R6	5.78	14.71	0.70	10.63	8.44	8.25	7.98
MSCI EAFE NR USD	2.33	10.42	-9.28	-1.67	0.63	2.10	5.02
Hartford Schroders Emerging Mkts Eq F	9.47	20.93	0.36	9.36	4.86	7.91	4.36
MSCI EM NR USD	8.94	17.84	-1.72	6.55	2.84	6.15	3.33
BOND FUNDS							
DoubleLine Core Fixed Income I	1.79	5.13	3.76	5.43	4.19	3.83	4.99
PGIM Total Return Bond R6	2.50	6.39	6.34	9.18	6.15	5.42	5.39
PIMCO Total Return Instl	1.50	3.54	7.75	9.97	5.53	4.47	4.22
Vanguard Short-Term Investment-Grade Adm	0.75	3.15	4.04	5.58	3.65	3.14	2.75
BBgBarc US Agg Bond TR USD	1.49	2.61	7.72	10.12	5.69	4.47	3.87

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

Disclosures


HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, public and private retirement plans, and personal trusts of all sizes. It may also serve as sub-adviser for mutual funds, common trust funds and collective investment funds. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

Agenda

Item #3



STAFF REPORT

To: Montecito Fire Protection District Board of Directors
From: Kevin Taylor, Fire Chief 
Prepared By: Scott Chapman, Battalion Chief
Date: August 24, 2020
Topic: Prevention 98 Excess

Summary

Prevention 98 (P98) has reached the end of its effective service life and should be declared excess.

Discussion

P98 is a 2009 Chevy Silverado used by the Prevention Bureau.

Vehicle license number: 1325319

Vehicle Identification Number: 1GCEK19J79E138653

The District recently purchased a new Prevention vehicle, making the existing P98 excess property available for auction.

Conclusion

Staff recommends that the Board declare P98 excess.

Attachments

1. None.

Strategic Plan Reference

Strategic Plan Goal #6, Strengthen our Infrastructure

Agenda

Item #4

Attachment

A

**MONTECITO FIRE PROTECTION DISTRICT
PARS Post-Employment Benefits Trust**

OPEB Account

Month	Beginning Balance	Contributions	Earnings	Expenses	Ending Balance	1-M % (net)	3-M % (net)
July 2019	11,754,374.03	-	78,677.61	4,829.24	11,828,222.40	0.63%	1.45%
August 2019	11,828,222.40	-	(124,513.49)	4,784.47	11,698,924.44	-1.09%	3.97%
September 2019	11,698,924.44	-	105,468.29	4,740.43	11,799,652.30	0.86%	0.39%
October 2019	11,799,652.30	-	154,650.67	4,665.59	11,949,637.38	1.27%	1.03%
November 2019	11,949,637.38	-	238,394.84	4,709.18	12,183,323.04	1.96%	4.14%
December 2019	12,183,323.04	-	99,488.67	4,772.26	12,278,039.45	0.78%	4.05%
January 2020	12,278,039.45	-	116,312.24	4,801.69	12,389,550.00	0.91%	3.68%
February 2020	12,389,550.00	-	(185,791.44)	4,827.52	12,198,931.04	-1.54%	0.13%
March 2020	12,198,931.04	-	(886,580.40)	4,778.63	11,307,572.01	-7.31%	-7.90%
April 2020	11,307,572.01	-	586,080.88	4,547.58	11,889,105.31	5.14%	-4.04%
May 2020	11,889,105.31	-	305,386.02	4,687.46	12,189,803.87	2.53%	-0.07%
June 2020	12,189,803.87	-	217,042.41	4,760.78	12,402,085.50	1.74%	9.68%
Total		-	704,616.30	56,904.83			

Total Contributions to the Plan = 8,376,000

Total OPEB Liability at 6/30/2018 = 13,538,041

PARS OPEB balance at 6/30/2018 = 11,123,664

Net OPEB Liability at 6/30/2018 = **2,414,377**

Funded status = 82.17%

Pension Account

Month	Beginning Balance	Contributions	Earnings	Expenses	Ending Balance	1-M % (net)	3-M % (net)
July 2019	4,746,026.53	-	14,036.81	1,322.65	4,758,740.69	0.27%	2.33%
August 2019	4,758,740.69	-	17,513.57	1,616.56	4,774,637.70	0.33%	4.31%
September 2019	4,774,637.70	-	13,555.69	1,627.19	4,786,566.20	0.25%	0.85%
October 2019	4,786,566.20	-	38,585.36	1,898.66	4,823,252.90	0.77%	1.36%
November 2019	4,823,252.90	-	45,506.22	1,898.55	4,866,860.57	0.90%	1.93%
December 2019	4,866,860.57	-	50,602.00	1,902.94	4,915,559.63	1.00%	2.69%
January 2020	4,915,559.63	-	46,564.11	1,922.28	4,960,201.46	0.91%	2.84%
February 2020	4,960,201.46	-	(74,376.41)	1,932.62	4,883,892.43	-1.54%	0.35%
March 2020	4,883,892.43	-	(354,899.31)	1,913.05	4,527,080.07	-7.31%	-7.90%
April 2020	4,527,080.07	-	234,807.24	1,820.64	4,760,066.67	5.15%	-4.03%
May 2020	4,760,066.67	-	122,265.78	1,876.70	4,880,455.75	2.53%	-0.07%
June 2020	4,880,455.75	-	86,721.57	1,906.05	4,965,271.27	1.74%	9.68%
Total		-	240,882.63	21,637.89			

Total Contributions to the Plan = 4,600,000

Total Accrued Pension Liability at 6/30/2018 = 98,297,203

CalPERS and PARS total assets at 6/30/2018 = 78,624,439

Net Pension Liability at 6/30/2018 = **19,672,764**

Funded status = 79.99%

MONTECITO FIRE PROTECTION DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
5/1/2020 to 5/31/2020

Kevin Taylor
Fire Chief
Montecito Fire Protection District
595 San Ysidro Rd.
Santa Barbara, CA 93108

Account Summary

Source	Balance as of 5/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 5/31/2020
OPEB	\$11,889,105.31	\$0.00	\$305,386.02	\$4,687.46	\$0.00	\$0.00	\$12,189,803.87
PENSION	\$4,760,066.67	\$0.00	\$122,265.78	\$1,876.70	\$0.00	\$0.00	\$4,880,455.75
Totals	\$16,649,171.98	\$0.00	\$427,651.80	\$6,564.16	\$0.00	\$0.00	\$17,070,259.62

Investment Selection

Source	
OPEB	Montecito Fire Protection District - OPEB
PENSION	Montecito Fire Protection District - PENSION

Investment Objective

Source	
OPEB	Individual account based on Moderately Conservative HighMark PLUS. The dual goals of the Moderately Conservative Strategy are current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.
PENSION	Individual account based on Moderately Conservative HighMark PLUS. The dual goals of the Moderately Conservative Strategy are current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	2.57%	0.04%	8.85%	6.25%	5.78%	7.39%	1/19/2010
PENSION	2.57%	0.05%	5.93%	4.29%	-	-	6/29/2017

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

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

MONTECITO FIRE PROTECTION DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
6/1/2020 to 6/30/2020

Kevin Taylor
Fire Chief
Montecito Fire Protection District
595 San Ysidro Rd.
Santa Barbara, CA 93108

Account Summary

Source	Balance as of 6/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2020
OPEB	\$12,189,803.87	\$0.00	\$217,042.41	\$4,760.78	\$0.00	\$0.00	\$12,402,085.50
PENSION	\$4,880,455.75	\$0.00	\$86,721.57	\$1,906.05	\$0.00	\$0.00	\$4,965,271.27
Totals	\$17,070,259.62	\$0.00	\$303,763.98	\$6,666.83	\$0.00	\$0.00	\$17,367,356.77

Investment Selection

Source

OPEB	Montecito Fire Protection District - OPEB
PENSION	Montecito Fire Protection District - PENSION

Investment Objective

Source

OPEB	Individual account based on Moderately Conservative HighMark PLUS. The dual goals of the Moderately Conservative Strategy are current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.
PENSION	Individual account based on Moderately Conservative HighMark PLUS. The dual goals of the Moderately Conservative Strategy are current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.78%	9.80%	6.02%	6.67%	6.39%	7.70%	1/19/2010
PENSION	1.78%	9.81%	5.10%	4.88%	-	-	6/29/2017

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

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

Attachment C



STAFF REPORT

To: Montecito Fire Protection District Board of Directors
From: Kevin Taylor, Fire Chief *KT*
Prepared by: Araceli Nahas, Accountant *AN*
Date: August 24, 2020
Topic: Financial Summary for Fiscal Year 2019-20

Summary

The District ended the 2019-20 fiscal year in a favorable financial position in the three main funds: General, Capital Outlay and Land & Building. This report provides an overview of the District’s Balance Sheet and Financial Status reports for the year ending June 30, 2020, and provides explanations for significant variances from the budget.

The full Balance Sheet and Financial Status reports are provided as attachments for additional review.

Balance Sheet Summary

General Fund (3650)

Balance sheet snapshot on June 30, 2020 and June 30, 2019

	2020	2019
Total assets:	\$ 13,022,164	\$ 14,585,322
Total liabilities:	388,047	4,057,871
Total fund balance:	\$ 12,634,117	\$ 10,527,451

Assets include cash in treasury, accounts receivable from fire assignments, interest receivable (from the County) and tax impound receivable. Liabilities include salaries and benefits payable, accounts payable and accruals for unpaid expenses at year-end.

Fund Balance increased \$2,106,666 from June 30, 2019. The increase is mainly due to funds received from the SCE Thomas Fire/Debris Flow settlement (\$1.2 million) and pension contribution funds that were committed for FY21 (\$1 million). The District’s Fund Balance at June 30, 2020 was \$2,634,117, designated as follows:

- Nonspendable - \$ 123,260 (Property tax impounds posted by the SB County Auditor)
- Restricted - \$ 85,919 (Treasury FMV adjustment by the SB County Auditor)
- Committed - \$ 2,768,500 (Contingency/Disaster Reserve and petty cash of \$500)
- Committed - \$ 4,110,000 (Economic Uncertainties Reserve)
- Committed - \$ 1,000,000 (Pension Contributions)
- Residual - \$ 4,546,437 (Funds without designation)

Capital Outlay Fund (3652)

Balance sheet snapshot on June 30, 2020 and June 30, 2019

	2020	2019
Total assets:	\$ 2,637,173	\$ 3,570,637
Total liabilities:	18,440	-0-
Total fund balance:	\$ 2,618,733	\$ 3,570,637

The assets include cash in treasury and interest receivable (from the County). The total fund balance decreased \$933,464 from June 30, 2020. The decrease is due to scheduled purchases of vehicles totaling \$1.5 million, partially offset by funds transferred from the General Fund (\$440,000).

Land & Building Fund (3653)

Balance sheet snapshot on June 30, 2020 and June 30, 2019

	2020	2019
Total assets:	\$ 6,426,215	\$ 6,382,674
Total liabilities:	2,175	-0-
Total fund balance:	\$ 6,424,040	\$ 6,382,674

The assets include cash in treasury and interest receivable (from the County). The total fund balance increased \$41,366 from June 30, 2019. The increase is due to interest income (\$125,000) exceeding expenses towards the rental property rebuild (80,000).

Financial Status Summary: General Fund**Revenue**

	Budgeted	Actual	Variance
Property taxes	\$ 17,896,000	\$ 18,022,106	\$ 126,106
Other revenue	2,712,528	2,677,758	(34,770)
Total revenue	\$ 20,608,528	\$ 20,699,864	\$ 91,336

Property taxes were 87% of total revenue in fiscal year 2019-20, and came in over budget by \$126,000.

Other revenue sources made up the remaining 13%, and fell under budget by \$35,000. These revenue sources include interest, Homeowners Property Tax Relief, Federal and State reimbursements, EMS medical response payments, rental income, CSFPD dispatch payments, and the SCE settlement.

Overall, total revenues were \$91,000 over the budget amount.

Expenditures

	Budgeted	Actual	Variance
Salaries and Benefits	\$ 16,161,400	\$ 15,196,734	\$ 964,666
Services and Supplies	2,122,500	2,128,949	(6,449)
Capital Assets	842,500	827,516	14,984
Transfers	440,000	440,000	-0-
Total expenses	\$ 19,566,400	\$ 18,593,199	\$ 973,201

Salaries and Employee Benefits: Total expenditures were \$15,196,734, or \$964,666 under budget.

- 6100 – Regular salaries: under budget \$735,000
Variance explanation: Mid-year retirements of long-time employees.
- 6301 – Overtime (Reimbursable): under budget \$120,000
Variance explanation: Our employees engaged in less mutual aid assignments than expected.
- 6310 – Overtime (Constant Staffing): over budget \$164,000
Variance explanation: Long-term vacancies led to an increase in overtime to meet minimum staffing needs. Additionally, COVID-related overtime totaled \$75,000
- 6600 – Health Insurance Contributions: under budget \$208,000
Variance explanation: Mid-year decreases to health and dental premiums.

Services and Supplies: Total expenditures were \$2,128,949, or \$6,449 under budget.

- COVID-19 related expenses totaled \$36,000 in various services and supplies line items.
- 7200 – Structure & Ground Maintenance: over budget \$33,000
Variance explanation: Unexpected costs of \$30,000 for mold removal to various offices in the Headquarters' building.
- 7650 – Special Departmental Expense: under budget \$32,000
Variance explanation: In March of 2020, Cal Fire issued the District a refund of \$28,000 due to and adjustment to the Thomas Fire cost apportionment. The refund was applied to this line item.
- 7671 – Special Projects: under budget 14,000
Variance explanation: Savings occurred because the annual weed abatement flyer was included in the Ready, Set, Go publication, therefore eliminating the production and postage expenses.

Capital Assets: Total expenditures were \$827,516, or \$14,984 under budget.

Net Financial Impact: The District will carry over \$1.07 million dollars - included in the Residual Fund balance at year-end.

Conclusion

The Board has the option to:

- a. Approve the report as presented.
- b. Amend, modify or reject above option.

Attachments

1. Balance Sheet Report for June 30, 2020
2. Financial Status Report for June 30, 2020

Strategic Plan Reference

Strategic Plan Goal #9, Ensure Financial Accountability & Transparency

Balance Sheet

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

	Beginning Balance 7/1/2019	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 6/30/2020
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	13,920,068.19	38,106,104.40	39,668,301.47	12,357,871.12
0115 -- Treasury FMV Adjustment	49,393.22	72,467.24	35,941.19	85,919.27
0120 -- Imprest Cash	500.00	0.00	0.00	500.00
0130 -- Cash with Fiscal Agents	23,913.80	2,554.13	17,486.47	8,981.46
0211 -- Prop Tax Impounds Receivable	206,229.00	0.00	0.00	206,229.00
0230 -- Accounts Receivable	300,349.00	323,696.00	300,349.00	323,696.00
0240 -- Interest Receivable	84,868.88	145,790.47	191,692.59	38,966.76
Total Assets	14,585,322.09	38,650,612.24	40,213,770.72	13,022,163.61
Total Assets & Other Debits	14,585,322.09	38,650,612.24	40,213,770.72	13,022,163.61
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	4,913,372.71	4,913,372.71	0.00
1015 -- EFT Payable	36,240.93	8,349,472.11	8,313,231.18	0.00
1020 -- Salaries & Benefits Payable	25,313.00	25,313.00	29,424.00	29,424.00
1210 -- Accounts Payable	119,341.71	13,229,424.72	13,463,444.00	353,360.99
1240 -- Accrued Expenses	3,875,975.00	3,875,975.00	5,262.00	5,262.00
1400 -- Deposits	1,000.00	1,000.00	0.00	0.00
1730 -- Unidentified Deposits	0.00	2,365,157.01	2,365,157.01	0.00
Total Liabilities	4,057,870.64	32,759,714.55	29,089,890.90	388,046.99
Equity				
2110 -- Fund Balance-Nonspendable	123,260.00	0.00	0.00	123,260.00
2120 -- Fund Balance-Restricted	49,393.22	35,941.19	72,467.24	85,919.27
2130 -- Fund Balance-Committed	6,070,500.00	0.00	1,808,000.00	7,878,500.00
2200 -- Fund Balance-Residual	4,284,298.23	69,198,398.25	69,460,537.37	4,546,437.35
Total Equity	10,527,451.45	69,234,339.44	71,341,004.61	12,634,116.62

Balance Sheet

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

	Beginning Balance 7/1/2019	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 6/30/2020
Total Liabilities, Equity & Other Credits	14,585,322.09	101,994,053.99	100,430,895.51	13,022,163.61

Balance Sheet

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3652 -- Montecito Fire Cap Outlay Res

	Beginning Balance 7/1/2019	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 6/30/2020
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	2,320,539.06	488,149.99	196,579.18	2,612,109.87
0115 -- Treasury FMV Adjustment	8,234.08	15,345.06	5,418.20	18,160.94
0240 -- Interest Receivable	9,586.44	37,665.99	40,349.99	6,902.44
0550 -- Deposits with Others	1,232,277.26	0.00	1,232,277.26	0.00
Total Assets	3,570,636.84	541,161.04	1,474,624.63	2,637,173.25
Total Assets & Other Debits	3,570,636.84	541,161.04	1,474,624.63	2,637,173.25
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	54,815.43	54,815.43	0.00
1015 -- EFT Payable	0.00	141,763.75	141,763.75	0.00
1210 -- Accounts Payable	0.00	196,579.18	215,019.62	18,440.44
1730 -- Unidentified Deposits	0.00	7,800.00	7,800.00	0.00
Total Liabilities	0.00	400,958.36	419,398.80	18,440.44
Equity				
2110 -- Fund Balance-Nonspendable	1,232,277.26	1,232,277.26	0.00	0.00
2120 -- Fund Balance-Restricted	8,234.08	5,418.20	15,345.06	18,160.94
2140 -- Fund Balance-Assigned	2,320,539.06	0.00	280,032.81	2,600,571.87
2200 -- Fund Balance-Residual	9,586.44	3,363,858.95	3,354,272.51	0.00
Total Equity	3,570,636.84	4,601,554.41	3,649,650.38	2,618,732.81
Total Liabilities, Equity & Other Credits	3,570,636.84	5,002,512.77	4,069,049.18	2,637,173.25

Balance Sheet

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3653 -- Montecito Fire Land & Building

	Beginning Balance 7/1/2019	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 6/30/2020
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	6,328,822.22	115,287.26	81,737.39	6,362,372.09
0115 -- Treasury FMV Adjustment	22,456.85	43,811.82	22,033.67	44,235.00
0240 -- Interest Receivable	31,394.87	103,499.80	115,287.26	19,607.41
Total Assets	6,382,673.94	262,598.88	219,058.32	6,426,214.50
Total Assets & Other Debits	6,382,673.94	262,598.88	219,058.32	6,426,214.50
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	62,161.49	62,161.49	0.00
1015 -- EFT Payable	0.00	19,568.19	19,568.19	0.00
1210 -- Accounts Payable	0.00	81,729.68	83,904.68	2,175.00
Total Liabilities	0.00	163,459.36	165,634.36	2,175.00
Equity				
2120 -- Fund Balance-Restricted	22,456.85	22,033.67	43,811.82	44,235.00
2140 -- Fund Balance-Assigned	6,328,822.22	0.00	50,982.28	6,379,804.50
2200 -- Fund Balance-Residual	31,394.87	1,466,587.16	1,435,192.29	0.00
Total Equity	6,382,673.94	1,488,620.83	1,529,986.39	6,424,039.50
Total Liabilities, Equity & Other Credits	6,382,673.94	1,652,080.19	1,695,620.75	6,426,214.50

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Revenues				
Taxes				
3010 -- Property Tax-Current Secured	16,813,000.00	16,807,493.70	-5,506.30	99.97 %
3011 -- Property Tax-Unitary	144,500.00	158,854.33	14,354.33	109.93 %
3015 -- PT PY Corr/Escapes Secured	0.00	-2,596.04	-2,596.04	--
3020 -- Property Tax-Current Unsecd	601,500.00	625,735.53	24,235.53	104.03 %
3023 -- PT PY Corr/Escapes Unsecured	0.00	12,262.39	12,262.39	--
3040 -- Property Tax-Prior Secured	0.00	870.25	870.25	--
3050 -- Property Tax-Prior Unsecured	21,500.00	86,597.25	65,097.25	402.78 %
3054 -- Supplemental Pty Tax-Current	315,500.00	330,527.94	15,027.94	104.76 %
3056 -- Supplemental Pty Tax-Prior	0.00	2,360.86	2,360.86	--
Taxes	17,896,000.00	18,022,106.21	126,106.21	100.70 %
Fines, Forfeitures, and Penalties				
3057 -- PT-506 Int, 480 CIOS/CIC Pen	0.00	1,933.24	1,933.24	--
Fines, Forfeitures, and Penalties	0.00	1,933.24	1,933.24	--
Use of Money and Property				
3380 -- Interest Income	180,000.00	156,760.16	-23,239.84	87.09 %
3381 -- Unrealized Gain/Loss Invstmnts	36,528.00	36,526.05	-1.95	99.99 %
3409 -- Other Rental of Bldgs and Land	20,000.00	12,900.00	-7,100.00	64.50 %
Use of Money and Property	236,528.00	206,186.21	-30,341.79	87.17 %
Intergovernmental Revenue-State				
3750 -- State-Emergency Assistance	500,000.00	559,720.49	59,720.49	111.94 %
4160 -- State Aid for Disaster	0.00	0.00	0.00	--
4220 -- Homeowners Property Tax Relief	79,500.00	77,742.66	-1,757.34	97.79 %
Intergovernmental Revenue-State	579,500.00	637,463.15	57,963.15	110.00 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Intergovernmental Revenue-Federal				
4476 -- Federal Emergency Assistance	250,000.00	183,469.61	-66,530.39	73.39 %
4610 -- Federal Aid for Disaster	0.00	0.00	0.00	--
Intergovernmental Revenue-Federal	250,000.00	183,469.61	-66,530.39	73.39 %
Charges for Services				
5105 -- Reimb for District Services	202,500.00	201,162.08	-1,337.92	99.34 %
Charges for Services	202,500.00	201,162.08	-1,337.92	99.34 %
Miscellaneous Revenue				
5768 -- Safety Member Reimbursement	65,000.00	67,014.99	2,014.99	103.10 %
5769 -- State Reimbursements	195,000.00	195,000.00	0.00	100.00 %
5894 -- Other-Payment for Damages	1,176,500.00	1,176,284.41	-215.59	99.98 %
5895 -- Other-Donations	0.00	1,250.00	1,250.00	--
5909 -- Other Miscellaneous Revenue	7,500.00	7,993.86	493.86	106.58 %
Miscellaneous Revenue	1,444,000.00	1,447,543.26	3,543.26	100.25 %
Revenues	20,608,528.00	20,699,863.76	91,335.76	100.44 %
Expenditures				
Salaries and Employee Benefits				
6100 -- Regular Salaries	8,961,100.00	8,226,295.58	734,804.42	91.80 %
6300 -- Overtime	175,000.00	160,015.54	14,984.46	91.44 %
6301 -- Overtime - Reimbursable	500,000.00	379,756.96	120,243.04	75.95 %
6310 -- Overtime - Constant Staffing	850,000.00	1,013,662.25	-163,662.25	119.25 %
6400 -- Retirement Contribution	2,838,500.00	2,824,115.37	14,384.63	99.49 %
6450 -- Supp Retirement Contribution	0.00	0.00	0.00	--
6550 -- FICA/Medicare	165,700.00	138,761.71	26,938.29	83.74 %
6600 -- Health Insurance Contrib	2,199,100.00	1,991,187.42	207,912.58	90.55 %
6700 -- Unemployment Ins Contribution	7,000.00	5,805.18	1,194.82	82.93 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
6900 -- Workers Compensation	465,000.00	457,133.80	7,866.20	98.31 %
Salaries and Employee Benefits	16,161,400.00	15,196,733.81	964,666.19	94.03 %
Services and Supplies				
7030 -- Clothing and Personal	76,000.00	87,967.78	-11,967.78	115.75 %
7050 -- Communications	125,000.00	119,318.01	5,681.99	95.45 %
7060 -- Food	2,500.00	1,828.74	671.26	73.15 %
7070 -- Household Supplies	59,000.00	54,264.43	4,735.57	91.97 %
7090 -- Insurance	33,000.00	32,345.00	655.00	98.02 %
7120 -- Equipment Maintenance	38,500.00	49,799.88	-11,299.88	129.35 %
7200 -- Structure & Ground Maintenance	34,550.00	67,665.67	-33,115.67	195.85 %
7205 -- Fire Defense Zone	250,000.00	238,405.21	11,594.79	95.36 %
7322 -- Consulting & Mgmt Fees	2,000.00	1,310.00	690.00	65.50 %
7324 -- Audit and Accounting Fees	27,000.00	28,625.00	-1,625.00	106.02 %
7348 -- Instruments & Equip. < \$5000	89,000.00	83,973.14	5,026.86	94.35 %
7363 -- Equipment Maintenance	121,500.00	139,503.28	-18,003.28	114.82 %
7400 -- Medical, Dental and Lab	67,900.00	71,624.84	-3,724.84	105.49 %
7430 -- Memberships	14,000.00	15,670.23	-1,670.23	111.93 %
7450 -- Office Expense	27,500.00	41,388.09	-13,888.09	150.50 %
7460 -- Professional & Special Service	430,500.00	423,766.56	6,733.44	98.44 %
7507 -- ADP Payroll Fees	7,500.00	9,819.07	-2,319.07	130.92 %
7510 -- Contractual Services	126,500.00	130,327.91	-3,827.91	103.03 %
7530 -- Publications & Legal Notices	6,000.00	1,687.96	4,312.04	28.13 %
7540 -- Rents/Leases-Equipment	14,000.00	20,935.53	-6,935.53	149.54 %
7546 -- Administrative Expense	245,000.00	244,914.00	86.00	99.96 %
7580 -- Rents/Leases-Structure	9,500.00	9,466.50	33.50	99.65 %
7630 -- Small Tools & Instruments	14,000.00	14,977.59	-977.59	106.98 %
7650 -- Special Departmental Expense	25,500.00	-6,966.37	32,466.37	-27.32 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
7671 -- Special Projects	38,000.00	24,382.95	13,617.05	64.17 %
7730 -- Transportation and Travel	35,000.00	39,490.61	-4,490.61	112.83 %
7731 -- Gasoline-Oil-Fuel	60,000.00	53,743.87	6,256.13	89.57 %
7732 -- Training	98,050.00	85,553.53	12,496.47	87.26 %
7760 -- Utilities	45,500.00	43,160.01	2,339.99	94.86 %
Services and Supplies	2,122,500.00	2,128,949.02	-6,449.02	100.30 %
Capital Assets				
8200 -- Structures&Struct Improvements	590,000.00	586,375.10	3,624.90	99.39 %
8300 -- Equipment	252,500.00	241,140.66	11,359.34	95.50 %
Capital Assets	842,500.00	827,515.76	14,984.24	98.22 %
Expenditures	19,126,400.00	18,153,198.59	973,201.41	94.91 %
Other Financing Sources & Uses				
Other Financing Uses				
7901 -- Oper Trf (Out)	440,000.00	440,000.00	0.00	100.00 %
Other Financing Uses	440,000.00	440,000.00	0.00	100.00 %
Other Financing Sources & Uses	-440,000.00	-440,000.00	0.00	100.00 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	35,942.00	35,941.19	-0.81	100.00 %
Decrease to Restricted	35,942.00	35,941.19	-0.81	100.00 %
Increase to Restricted				
9797 -- Unrealized Gains	72,470.00	72,467.24	2.76	100.00 %
Increase to Restricted	72,470.00	72,467.24	2.76	100.00 %
Increase to Committed				
9850 -- Salary & Retirement Offset	1,000,000.00	1,000,000.00	0.00	100.00 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Increase to Committed	1,000,000.00	1,000,000.00	0.00	100.00 %
Changes to Fund Balances	-1,036,528.00	-1,036,526.05	1.95	100.00 %
Montecito Fire Protection Dist	5,600.00	1,070,139.12	1,064,539.12	19,109.63 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3652 -- Montecito Fire Cap Outlay Res

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	32,500.00	37,665.99	5,165.99	115.90 %
3381 -- Unrealized Gain/Loss Invstmnts	9,926.00	9,926.86	0.86	100.01 %
Use of Money and Property	42,426.00	47,592.85	5,166.85	112.18 %
Revenues	42,426.00	47,592.85	5,166.85	112.18 %
Expenditures				
Capital Assets				
8300 -- Equipment	1,595,000.00	1,447,296.88	147,703.12	90.74 %
Capital Assets	1,595,000.00	1,447,296.88	147,703.12	90.74 %
Expenditures	1,595,000.00	1,447,296.88	147,703.12	90.74 %
Other Financing Sources & Uses				
Other Financing Sources				
5910 -- Oper Trf (In)-General Fund	440,000.00	440,000.00	0.00	100.00 %
5919 -- Sale Capital Assets-Prsnl Prop	0.00	7,800.00	7,800.00	--
Other Financing Sources	440,000.00	447,800.00	7,800.00	101.77 %
Other Financing Sources & Uses	440,000.00	447,800.00	7,800.00	101.77 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	5,420.00	5,418.20	-1.80	99.97 %
Decrease to Restricted	5,420.00	5,418.20	-1.80	99.97 %
Increase to Restricted				
9797 -- Unrealized Gains	15,346.00	15,345.06	0.94	99.99 %
Increase to Restricted	15,346.00	15,345.06	0.94	99.99 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3652 -- Montecito Fire Cap Outlay Res

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Changes to Fund Balances	-9,926.00	-9,926.86	-0.86	100.01 %
Montecito Fire Cap Outlay Res	-1,122,500.00	-961,830.89	160,669.11	85.69 %

Financial Status

Selection Criteria: Fund = 3650, 3652, 3653

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

Fund 3653 -- Montecito Fire Land & Building

Line Item Account	6/30/2020 Fiscal Year Adjusted Budget	6/30/2020 Year-To-Date Actual	6/30/2020 Fiscal Year Variance	6/30/2020 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	80,000.00	103,499.80	23,499.80	129.37 %
3381 -- Unrealized Gain/Loss Invstmnts	21,777.00	21,778.15	1.15	100.01 %
Use of Money and Property	101,777.00	125,277.95	23,500.95	123.09 %
Revenues	101,777.00	125,277.95	23,500.95	123.09 %
Expenditures				
Capital Assets				
8100 -- Land	200,000.00	3,785.50	196,214.50	1.89 %
8200 -- Structures&Struct Improvements	1,000,000.00	80,126.89	919,873.11	8.01 %
Capital Assets	1,200,000.00	83,912.39	1,116,087.61	6.99 %
Expenditures	1,200,000.00	83,912.39	1,116,087.61	6.99 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	22,035.00	22,033.67	-1.33	99.99 %
Decrease to Restricted	22,035.00	22,033.67	-1.33	99.99 %
Increase to Restricted				
9797 -- Unrealized Gains	43,812.00	43,811.82	0.18	100.00 %
Increase to Restricted	43,812.00	43,811.82	0.18	100.00 %
Changes to Fund Balances	-21,777.00	-21,778.15	-1.15	100.01 %
Montecito Fire Land & Building	-1,120,000.00	19,587.41	1,139,587.41	-1.75 %
Net Financial Impact	-2,236,900.00	127,895.64	2,364,795.64	-5.72 %

Attachment D



STAFF REPORT

To: Montecito Fire Protection District Board of Directors
From: Kevin Taylor, Fire Chief *KT*
Prepared by: Araceli Nahas, Accountant *AN*
Date: August 24, 2020
Topic: Recommended Final Budget for Fiscal Year 2020-21

Summary

The proposed Final Budget is presented with some changes from the Preliminary Budget that was approved in June. We will review the proposed changes to all three funds: General Fund, Capital Reserves, and Land & Building.

This budget is presented to you during the COVID-19 public health emergency that has caused significant uncertainties globally and in our local market. We have considered the possible effects that this may have on District property tax revenues and investment returns in the next several years. We will continue to focus on our current priorities – community safety, firefighter health and safety, contractual labor obligations and capital improvements – while monitoring our budget progress frequently and presenting modifications as necessary.

Budget Summary

The following table provides an overview of the balanced budget for all three funds.

	GENERAL FUND	CAPITAL RESERVES	LAND & BUILDING	TOTAL
PROPERTY TAXES	18,690,000	-0-	-0-	18,690,000
OTHER REVENUE	<u>1,439,000</u>	<u>507,500</u>	<u>95,000</u>	<u>2,041,500</u>
TOTAL REVENUE	20,129,000	507,500	95,000	20,731,500
SALARIES AND BENEFITS	17,212,000	-0-	-0-	17,212,000
SERVICES AND SUPPLIES	2,453,000	-0-	-0-	2,453,000
CAPITAL ASSETS	847,000	94,000	1,479,500	2,420,500
TRANSFERS	<u>475,000</u>	<u>-0-</u>	<u>-0-</u>	<u>475,000</u>
LESS: TOTAL EXPENSES	20,987,000	94,000	1,479,500	22,560,500
CHANGES TO FUND BALANCE	<u>858,000</u>	<u>(413,500)</u>	<u>1,384,500</u>	<u>1,829,000</u>
NET FINANCIAL IMPACT	-0-	-0-	-0-	-0-

Discussion

The proposed Final Budget has been updated with anticipated revenues and expenses for fiscal year 2020-21, and it is presented along side the Preliminary Budget adopted in June, and actual figures from fiscal year 2019-20 for comparison purposes. Below are explanations for updates made to the proposed Final Budget (which appear in blue text on the budget documents).

General Fund Revenues

- 3010-3054 – Property Taxes Revenue: The preliminary assessed property tax value increased to 4.9% (from the 3.4% estimate provided in April). Accordingly, secured property taxes were calculated using the new increase rate. All property tax line items were recalculated using last year's actual numbers as the base. The total property tax increase from the prior year is \$668,000, or 3.7%.
- 3380 – Interest Income: Increased by \$30,000 to more closely reflect the income revenue from FY20.
- 3409 – Rental Property Income: Decreased by \$10,000 because the two existing properties will remain vacant until repairs are completed.
- 4310 – State Grant: Increased to \$150,000 because the District was awarded a Cal Fire grant for fire prevention work totaling \$450,000 over the next 3 years.
- 4610 – Federal Aid for Disaster: Increased to \$82,500 because the District expects to recover 75% of eligible COVID expenses through the FEMA Public Assistance program.

General Fund Expenditures – Salaries & Employee Benefits

- 6310 – Overtime (Staffing) – Increased by \$57,500 to support long-term vacancies that require overtime hires to meet minimum staffing needs.

General Fund Expenditures – Services and Supplies

Every expense line item has an "Operational" budget, which is the amount required to continue operating at the current level of service. Other descriptions are included to show one-time expenses presented for approval in the budget, and to provide detail on the line item funding fluctuations.

- 7050 - Communications: Increased by \$7,500 to support additional iPads/accessories for field operations.
- 7090 – Insurance: Increased by \$9,000 due to an increase in this year's annual premium.
- 7120 – Equipment Maintenance: Increased by \$11,500 to match average actual expenses for the last two years.
- 7200 – Structure and Ground Maintenance: Increased by \$30,000 to support integration of the generator to the approved solar project.
- 7348 – Instruments & Equipment: Increased by \$42,000 for equipment needed to fully outfit the new type 1 engine – these funds were carried over from last fiscal year.
- 7540 – Rents & Leases – Equipment: Increased to \$4,000 to support a new lease for the copy machine at Station 1.

Capital Reserves (Fund 3652) – This fund maintains reserves for vehicle and apparatus replacements based on a service schedule.

- 8300 – Capital Assets: Increased by \$14,000 to support the installation of the compressor on the mechanic's vehicle (Repair 91) – these funds were carried over from last fiscal year.

Land & Building (Fund 3653) – This fund maintains reserves for additional station acquisitions, structure improvements and the rebuilding project on the rental unit.

- 3380 – Interest Income: Increased by \$15,000 to more closely reflect the income revenue from FY20.
- 8200 – Structures and Improvements: Increased by \$279,500 to support the infrastructure purchase for the approved solar project.

Reserves

Based on the Board-approved Reserve Policy that established reserve categories and identified the process for calculating each reserve, a net increase to reserves are presented in the General Fund Final Budget for approval:

RESERVE CATEGORIES	RESERVES 7/1/20	LESS RESERVES AT 7/1/19	ADD'L RESERVES NEEDED
CATASTROPHIC EVENT	2,710,000	(2,768,000)	(58,000)
ECON. UNCERTAINTIES	<u>4,330,000</u>	<u>(4,110,000)</u>	<u>220,000</u>
TOTALS	7,040,000	(6,878,000)	162,000

Reserve levels are funded by transferring unrestricted funds from the Residual Fund Balance and designating them to the Committed Fund Balance.

Conclusion

The Board can review and provide amendments, if any, prior to approval at the September Board meeting.

Attachments

1. Proposed Final Budgets for Fiscal Year 2020-21

Strategic Plan Reference

Strategic Plan Goal #9, Ensure Financial Accountability & Transparency

FUND 3650 - GENERAL FUND

	<u>Proposed Final Budget FY 2020-21</u>	<u>Preliminary Budget FY 2020-21</u>	<u>Difference from Prelim</u>	<u>Actuals FY 2019-20</u>	<u>Difference from Actual</u>
REVENUES					
Property Taxes					
3010	Property Tax - Secured (4.9%)	\$ 17,631,000	\$ 17,384,500	\$ 246,500	\$ 16,807,494 \$ 823,506
3011	Property Tax - Unitary	159,000	144,500	14,500	158,854 146
3015	Property Tax - Escapes Secured	-	-	-	(2,596) 2,596
3020	Property Tax - Unsecured (4.9%)	669,500	643,500	26,000	625,736 43,764
3023	Property Tax - PY Corrections/Escapes	-	-	-	12,262 (12,262)
3040	Property Tax - Prior Secured	-	-	-	870 (870)
3050	Property Tax - Prior Unsecured	65,000	21,500	43,500	86,597 (21,597)
3054	Supplemental Property Tax - Current	165,500	158,000	7,500	330,528 (165,028)
3056	Supplemental Property Tax - Prior	-	-	-	2,361 (2,361)
	Total Taxes Revenue	18,690,000	18,352,000	338,000	18,022,106 667,894
Fines, Forfeitures, and Penalties					
3057	Property Tax 506 Interest/480 Penalties	-	-	-	1,933 (1,933)
	Total Use of Money and Property	-	-	-	1,933 (1,933)
Use of Money and Property					
3380	Interest Income	150,000	120,000	30,000	156,760 (6,760)
3381	Unrealized Gain/Loss Investments (County)	-	-	-	36,526 (36,526)
3409	Rental Property Income	10,000	20,000	(10,000)	12,900 (2,900)
	Total Use of Money and Property	160,000	140,000	20,000	206,186 (46,186)
Intergovernmental Revenue - State					
3750	State-Emergency Assistance (Fire Asgmt)	500,000	500,000	-	559,720 (59,720)
4160	State Aid for Disaster	-	-	-	-
4220	Homeowners Property Tax Relief	79,500	79,500	-	77,743 1,757
4310	State Grant (Cal Fire - Prevention)	150,000	-	150,000	-
	Total Intergovernmental Revenue - State	729,500	579,500	150,000	637,463 92,037

FUND 3650 - GENERAL FUND

	<u>Proposed Final Budget FY 2020-21</u>	<u>Preliminary Budget FY 2020-21</u>	<u>Difference from Prelim</u>	<u>Actuals FY 2019-20</u>	<u>Difference from Actual</u>
Intergovernmental Revenue - Federal					
4476 Federal Emergency Assistance (Fire Asgmt)	250,000	250,000	-	183,470	66,530
4610 Federal Aid for Disaster (COVID)	<u>82,500</u>	<u>-</u>	<u>82,500</u>	<u>-</u>	<u>82,500</u>
Total Intergovernmental Revenue - Federal	332,500	250,000	82,500	183,470	149,030
Charges for Services					
5105 Reimbursement for District Services	<u>208,500</u>	<u>208,500</u>	-	<u>201,162</u>	<u>7,338</u>
Total Charges for Services	208,500	208,500	-	201,162	7,338
Miscellaneous Revenue					
5768 Safety Member Reimbursement	-	-	-	67,015	(67,015)
5769 State Reimbursements (911 system)	-	-	-	195,000	(195,000)
5894 Other - Payment for Damages	-	-	-	1,176,284	(1,176,284)
5894 Other - Donations	-	-	-	1,250	(1,250)
5909 Other - Miscellaneous Revenue	<u>8,500</u>	<u>8,500</u>	-	<u>7,994</u>	<u>506</u>
Total Miscellaneous Revenue	8,500	8,500	-	1,447,543	(1,439,043)
TOTAL REVENUES	<u>\$ 20,129,000</u>	<u>\$ 19,538,500</u>	<u>\$ 590,500</u>	<u>\$ 20,699,864</u>	<u>\$ (570,864)</u>

FUND 3650 - GENERAL FUND

		Proposed Final Budget FY 2020-21	Preliminary Budget FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
EXPENDITURES						
Salaries & Employee Benefits						
6100	Regular Salaries	\$ 8,464,000	\$ 8,464,000	\$ -	\$ 8,226,296	\$ 237,704
6300	Overtime	184,000	184,000	-	160,016	23,984
6301	Overtime - Fire Reimbursable	500,000	500,000	-	379,757	120,243
6310	Overtime - Constant Staffing	950,000	892,500	57,500	1,013,662	(63,662)
6400	Retirement Contributions	3,280,000	3,280,000	-	2,824,115	455,885
6450	Supp Retirement Contribution	1,000,000	1,000,000	-	-	1,000,000
6550	FICA/Medicare	152,000	152,000	-	138,762	13,238
6600	Insurance Contributions	2,126,000	2,126,000	-	1,991,187	134,813
6700	Unemployment Insurance	6,000	6,000	-	5,805	195
6900	Workers Compensation Insurance	550,000	550,000	-	457,134	92,866
Total Salaries & Employee Benefits		\$ 17,212,000	17,154,500	57,500	15,196,734	2,015,266
Services & Supplies						
7030	Clothing and PPE	153,000	153,000	-	87,968	65,032
	Operational	51,000	51,000			
	Turnout sets	72,000	72,000			
	Class A Uniforms	30,000	30,000			
7050	Communications	132,500	125,000	7,500	119,318	13,182
	Operational	115,000	115,000			
	iPads/accessories for field operations	17,500	10,000			
7060	Food	2,500	2,500	-	1,829	671
7070	Household Supplies	33,000	33,000	-	54,264	(21,264)
7090	Insurance: Liability/Auto/Prop.	42,000	33,000	9,000	32,345	9,655
7120	Equipment Maintenance	50,000	38,500	11,500	49,800	200
7200	Structure and Ground Maintenance	103,500	73,500	30,000	67,666	35,834
	Operational	38,500	38,500			
	Rental unit repairs (1259 EVR)	35,000	35,000			

FUND 3650 - GENERAL FUND

		Proposed Final Budget	Preliminary Budget	Difference	Actuals	Difference
		FY 2020-21	FY 2020-21	from Prelim	FY 2019-20	from Actual
	Solar/generator integration	30,000	-			
7205	Fire Defense Zone (Hazard Mitigation)	250,000	250,000	-	238,405	11,595
7322	Consulting and Management Fees	2,000	2,000	-	1,310	690
7324	Audit and Accounting Fees	30,000	27,000	3,000	28,625	1,375
7348	Instruments & Equipment	132,000	90,000	42,000	83,973	48,027
	Hose equipment and maintenance	6,000	6,000			
	Rope rescue equipment and maint	69,000	69,000			
	Dosimeters	6,500	6,500			
	Blower	5,000	5,000			
	RAWS unit upgrade	3,500	3,500			
	New E91 Equipment	42,000	-			
7363	Equipment Maintenance (Vehicles)	140,000	140,000	-	139,503	497
	Operational	80,000	80,000			
	Mechanic shop tools/equipment	40,500	40,500			
	Engine nozzles	10,000	10,000			
	Truck lift gate	7,000	7,000			
	Extrication tool mounts	2,500	2,500			
	Emergency lighting and keystones	-	-			
7400	Medical & First Aid Supplies	83,000	83,000	-	71,625	11,375
	Operational	43,000	43,000			
	AEDs (10)	20,000	20,000			
	Advanced life support equipment	20,000	20,000			
7430	Memberships	14,000	14,000	-	15,670	(1,670)
7450	Office Expense	84,500	84,500	-	41,388	43,112
	Operational	27,500	27,500			
	Office furniture - Prevention	17,000	17,000			
	Computers	40,000	40,000			

FUND 3650 - GENERAL FUND

	Proposed Final Budget FY 2020-21	Preliminary Budget FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
7460 Professional and Special Services	460,500	460,500	-	423,767	36,733
Operational	310,500	310,500			
Debris Flow Risk Map update	60,000	60,000			
Facilities Project Manager	20,000	20,000			
Evacuation Analysis	50,000	50,000			
Fire Station Location Study	20,000	20,000			
7507 ADP Payroll Fees	8,500	8,500	-	9,819	(1,319)
7510 Contractual Services	140,000	140,000	-	130,328	9,672
7530 Publications & Legal Notices	6,000	6,000	-	1,688	4,312
7540 Rents & Leases - Equipment	4,000	-	4,000	20,936	(16,936)
7546 Administrative Tax Expense	245,000	245,000	-	244,914	86
7580 Rents & Leases - Structure (Gibraltar)	9,500	9,500	-	9,467	34
7630 Small Tools & Instruments	14,000	14,000	-	14,978	(978)
7650 Special District Expense	65,500	65,500	-	(6,966)	72,466
Operational (permits, fees, other)	25,500	25,500			
Board Elections	15,000	15,000			
Home Hardening Grant Program	25,000	25,000			
7671 Special Projects	17,500	17,500	-	24,383	(6,883)
Prevention mailers	10,000	10,000			
Public Education materials	7,500	7,500			
7730 Transportation and Travel	35,000	35,000	-	39,491	(4,491)
7731 Gasoline/Oil/Fuel	60,000	60,000	-	53,744	6,256
7732 Training	90,000	90,000	-	85,554	4,446
Operational	80,000	80,000			
New hire academy	10,000	10,000			
7760 Utilities	45,500	45,500	-	43,160	2,340
Total Services & Supplies	2,453,000	2,346,000	107,000	2,128,949	324,051

FUND 3650 - GENERAL FUND

		Proposed Final Budget FY 2020-21	Preliminary Budget FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
Capital Assets						
8200	Structures & Improvements	135,000	135,000	-	586,375	(451,375)
	Facility repairs: HVAC system, flooring	135,000	135,000			
8300	Equipment	712,000	712,000	-	241,141	470,859
	SCBA system replacement	617,000	617,000			
	Extractor	45,000	45,000			
	ALS equipment - cardiac monitor	30,000	30,000			
	Thermal imager cameras	20,000	20,000	-	-	-
	Total Capital Assets	847,000	847,000	-	827,516	19,484
	TOTAL EXPENDITURES	20,512,000	20,347,500	164,500	18,153,199	2,358,801
Other Financing Uses						
7901	Tfr To Capital Reserves Fund (3652)	475,000	475,000	-	440,000	35,000
	Total Other Financing Uses	475,000	475,000	-	440,000	35,000
Changes to Fund Balances						
Decrease to Restricted						
9797	Unrealized Gains (County)	-	-	-	35,941	(35,941)
	Decrease to Restricted	-	-	-	35,941	(35,941)
Increase to Restricted						
9797	Unrealized Gains (County)	-	-	-	72,467	(72,467)
	Increase to Restricted	-	-	-	72,467	(72,467)
Decrease to Committed						
9850	Salaries and Retirement Contribution	1,000,000	1,000,000	-	-	1,000,000
	Decrease to Committed	1,000,000	1,000,000	-	-	1,000,000

FUND 3650 - GENERAL FUND

	Proposed Final Budget FY 2020-21	Preliminary Budget FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
Increase to Committed					
9850 Salary & Retirement offset	-	-	-	1,000,000	(1,000,000)
Increase to Committed	-	-	-	1,000,000	(1,000,000)
Increase to Unassigned					
9940 Unassigned Fund Balance	142,000	-	142,000	-	142,000
Increases to Unassigned	142,000	-	142,000	-	142,000
TOTAL CHANGES TO FUND BALANCES	858,000	1,000,000	(142,000)	(1,036,526)	1,894,526
Net Financial Impact	\$ -	\$ (284,000)	\$ 284,000	\$ 1,070,139	\$ (1,070,139)
Fund 3650 Fund Balance Detail					
Fund Balance - Nonspendable (County)	\$ 123,260	\$ 123,260	-	\$ 123,260	-
Fund Balance - Restricted (by County)	85,919	85,919	-	85,919	-
*Reserves: Catastrophic	2,710,000	2,768,000	(58,000)	2,768,000	(58,000)
*Reserves: Economic Uncertainties	4,330,000	4,110,000	220,000	4,110,000	220,000
Fund Balance - Committed (Pension)	-	-	-	1,000,000	(1,000,000)
Fund Balance - Unrestricted Residual	4,526,937	4,262,937	264,000	4,546,937	(20,000)
Projected Fund Balance at Year End	\$ 11,776,117	\$ 11,350,117	426,000	\$ 12,634,117	(858,000)

*Reserves Policy adopted as part of Capitol PFG Financial Analysis recommendations.

FUND 3652 - CAPITAL RESERVES FUND

	Proposed Final Budget FY 2020-21	Preliminary FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
REVENUES					
Use of Money and Property					
3380 Interest Income	\$ 32,500	\$ 32,500	\$ -	\$ 37,666	\$ (5,166)
3381 Unrealized Gain/Loss Investments (County)	-	-	-	9,927	(9,927)
Total Use of Money and Property	32,500	32,500	-	47,593	(15,093)
Other Financing Sources					
5910 Transfer from General Fund (3650)	475,000	475,000	-	440,000	35,000
Total Financing Sources	475,000	475,000	-	440,000	35,000
Other Financing Sources					
5919 Sale of Capital Assets	-	-	-	7,800	(7,800)
Total Other Financing Sources	-	-	-	7,800	(7,800)
TOTAL REVENUES	\$ 507,500	\$ 507,500	\$ -	\$ 495,393	\$ 12,107
EXPENDITURES					
Capital Assets					
8300 Equipment					
Vehicle (Battalion Chief 96)	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ -
Vehicle compressor (Repair 91 - carryover)	14,000	-	14,000	-	-
Total Capital Assets	94,000	80,000	14,000	1,447,297	(1,353,297)
TOTAL EXPENDITURES	\$ 94,000	\$ 80,000	\$ 14,000	\$ 1,447,297	\$ (1,353,297)

FUND 3652 - CAPITAL RESERVES FUND	Proposed Final Budget FY 2020-21	Preliminary FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
Changes to Fund Balances					
Decrease to Restricted					
9797 Unrealized Gains (County)	-	-	-	5,418	(5,418)
Decrease to Restricted	-	-	-	5,418	(5,418)
Increase to Restricted					
9797 Unrealized Gains (County)	-	-	-	15,345	(15,345)
Increase to Restricted	-	-	-	15,345	(15,345)
Increase to Assigned					
9901 Purpose of Fund	413,500	-	413,500	-	413,500
Increase to Assigned	413,500	-	413,500	-	413,500
TOTAL CHANGES TO FUND BALANCES	(413,500)	-	(413,500)	(9,927)	(403,573)
Net Financial Impact	\$ -	\$ 427,500	\$ (427,500)	\$ (961,831)	\$ 961,831
Fund 3652 Fund Balance Detail					
Fund Balance - Restricted (by County)	18,161	18,161	-	18,161	-
Fund Balance - Assigned	3,014,072	3,028,072	(14,000)	2,600,572	413,500
Projected Fund Balance at Year End	3,032,233	3,046,233	(14,000)	2,618,733	413,500

FUND 3653 - LAND & BUILDING FUND*

	<u>Proposed Final Budget FY 2020-21</u>	<u>Preliminary FY 2020-21</u>	<u>Difference from Prelim</u>	<u>Actuals FY 2019-20</u>	<u>Difference from Actual</u>
REVENUES					
Use of Money and Property					
3380 Interest Income	\$ 95,000	\$ 80,000	\$ 15,000	\$ 103,500	\$ (8,500)
3381 Unrealized Gain/Loss Investments (County)	-	-	-	21,778	(21,778)
Total Use of Money and Property	95,000	80,000	15,000	125,278	(30,278)
TOTAL REVENUES	\$ 95,000	\$ 80,000	\$ 15,000	\$ 125,278	\$ (30,278)
EXPENDITURES					
Capital Assets					
8100 Land	200,000	200,000	-	3,786	196,215
8200 Structures and Improvements					
Rental property rebuild	1,000,000	1,000,000	-	80,127	919,873
Solar project infrastructure	279,500	-	279,500	-	279,500
Total Capital Assets	1,479,500	1,200,000	279,500	83,912	1,395,588
TOTAL EXPENDITURES	\$ 1,479,500	\$ 1,200,000	\$ 279,500	\$ 83,912	\$ 1,395,588

FUND 3653 - LAND & BUILDING FUND*	Proposed Final Budget FY 2020-21	Preliminary FY 2020-21	Difference from Prelim	Actuals FY 2019-20	Difference from Actual
Changes to Fund Balances					
Decrease to Restricted					
9797 Unrealized Gains (County)	-	-	-	22,034	(22,034)
Decrease to Restricted	-	-	-	22,034	(22,034)
Increase to Restricted					
9797 Unrealized Gains (County)	-	-	-	43,812	(43,812)
Increase to Restricted	-	-	-	43,812	(43,812)
Decrease to Assigned					
9901 Purpose of Fund	1,384,500	-	1,384,500	-	1,384,500
Decrease to Assigned	1,384,500	-	1,384,500	-	1,384,500
TOTAL CHANGES TO FUND BALANCES	1,384,500	-	1,384,500	(21,778)	1,406,278
Net Financial Impact	\$ -	\$ (1,120,000)	\$ 1,120,000	\$ 19,587	\$ (19,587)
Fund 3653 Fund Balance Detail					
Fund Balance - Restricted (by County)	44,235	44,235	-	44,235	-
Fund Balance - Assigned	4,995,305	5,259,805	(264,500)	6,379,805	(1,384,500)
Projected Fund Balance at Year End	5,039,540	5,304,040	(264,500)	6,424,040	(1,384,500)

*Eastern Montecito property acquisition and fire station construction fund as recommended in the November 12, 2014 Standards of Coverage Study and Risk Assessment and adopted by the Board of Directors on January 21, 2015.

Agenda

Item #5

MONTECITO FIRE PROTECTION DISTRICT

Minutes for the Regular Meeting of the Board of Directors

July 22, 2020 at 2:00 p.m.

Held via teleconference connection as permitted under the Governor's Executive Order N-29-20, dated March 17, 2020 due to concerns of COVID-19 ("Executive Order").

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

Present: Director Easton, Director Ishkanian, Director van Duinwyk, Director Lee, Director Powell. Chief Taylor and District Counsel Mark Manion were also present.

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

There were no public comments at this meeting.

- 2. Receive presentation from Chief Taylor regarding evacuation modifications during the Public Health Emergency. (Strategic Plan Goal 2)**

Chief Taylor provided a report regarding wildland fire operations and evacuation modifications during the Public Health Emergency. He stated that there have been no changes operationally based on COVID, however the Office of Emergency Management and American Red Cross have made substantial modifications. Chief Taylor stated that the former website "AwareandPrepare.org" is now known as "ReadySBC.org", the new moniker for the alerting program and all evacuation preparation. He stated that the California Office of Emergency Services has provided standardized evacuation terminology: evacuation order, evacuation warning or shelter in place order. The Chief stated that when the community is asked to evacuate, the Office of Emergency Management and Red Cross will set up a temporary evacuation point at a large parking lot, where evacuees gather in their vehicles to prevent congregating. He added that should the evacuation be long term, a reception center will be set up at the evacuation point to attempt to provide hotel rooms to those who need them. He added that Santa Barbara County is conducting an evacuation drill on July 30 at the Goleta Community Center. The Chief also mentioned the District's new Access and Functional Needs program, which allows community members to self-identify themselves as having access or functional needs that would limit their ability to evacuate during an emergency.

- 3. That the Board of Directors authorize the Fire Chief to enter into an agreement not to exceed \$279,500 with Bright Future Solar Energy for a 20-year PPA. Infrastructure investment of \$279,500 to be allocated from Account 3653 – Land and Building Fund; and, \$10,000 annual allocation from Fund 3650 – General Fund to the Capital Replacement Account, or determine Bright Future Solar Energy bid is non-responsive given battery warranty modification and direct staff to research alternatives to provide energy security. (Strategic Plan Goal 6)**

- a. Staff report presented by Chief Taylor, Battalion Chief Chapman and District Accountant Nahas.**

Chief Taylor provided a staff report regarding Bright Future Solar Energy. After thorough Board discussion, motion to authorize the Fire Chief to enter into an agreement not to exceed \$279,500 with Bright Future Solar Energy for a 20-year PPA. Infrastructure investment of \$279,500 to be allocated from Account 3653-Land and Building Fund; and, \$10,000 annual allocation from Fund 3650-General Fund to the Capital Replacement Account made by Director van Duinwyk, seconded by Director Powell. The Roll Call vote was as follows:

Ayes: M. Lee, S. Easton, P. van Duinwyk, J. Ishkanian, J. A. Powell

Nays: None

Abstain: None

Absent: None

- 4. Approval of Minutes of the June 22, 2020 Regular Meeting.**

Motion to approve the minutes of the June 22, 2020 Regular meeting made by Director Lee, seconded by Director Ishkanian. The Roll Call vote was as follows:

Ayes: M. Lee, S. Easton, P. van Duinwyk, J. Ishkanian, J. A. Powell

Nays: None

Abstain: None

Absent: None

- 5. Fire Chief's report.**

Division Chief Widling highlighted significant calls for the month of June. He also reported 1,227 training hours. Chief Taylor stated that the Department remains in Phase 2 of the Continuity of Operations Plan, with a mask order to always wear cloth facial coverings while at work. He stated that the Department has initiated antibody testing, with no positive results. Chief Taylor stated that the County has entered into a contract with the company that owns the old Sears building, as the proposed site of an alternate care facility should the hospitals become overwhelmed with patients. The Chief stated that fire season is here and noted the substantial reduction in live fuel moisture. Chief Taylor

provided an update regarding the sheep project. He also provided an update regarding the Neighborhood Chipping Project. He added that the Department continues with the tag and trim work, as well as a significant fuel reduction treatment in the Randall Road area. Chief Taylor stated that the Department continues to be responsive to the community regarding various issues: bonfires at Hammond Beach, illegal cooking fires and camping on Hot Springs trails, and homeless encampments throughout the community. The Chief also noted that the Department is working with the Montecito Association and their Land Use Committee on the Undergrounding of Utilities Project.

6. Board of Director's report.

There were no items to report at this meeting.

7. Suggestions from Directors for items other than regular agenda items to be included for the August 24, 2020 Regular Board meeting.

There were no additional suggestions from the Directors.

8. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code section 54957) Title: Fire Chief

The Board reported out of closed session at 3:35 p.m. with no reportable action.

Meeting Adjourned at 3:36 p.m.

President Sylvia Easton

Secretary Judith Ishkanian

Agenda

Item #6



American Heart Association.
Mission:Lifeline®
EMS

2020 Mission: Lifeline® EMS Recognition

The American Heart Association proudly recognizes

Montecito Fire Protection District Montecito, CA

Lead Agency: Santa Barbara County Emergency Medical Services Agency

Mission: Lifeline®-EMS – GOLD PLUS
Achievement Award – EMS Agency

The American Heart Association/American Stroke Associations recognizes this EMS provider organization, and the EMS provider organizations it supports, as an integrated EMS team. The EMS team has demonstrated continued success in using the **Mission Lifeline®** program. Thank you for applying the most up-to-date evidence-based treatment guidelines to improve patient care and outcomes in the community you serve.*



Nancy Brown
Chief Executive Officer
American Heart Association

John Warner, MD
Chairperson, Quality Oversight Committee

Robert A. Harrington, MD
President American Heart Association

*For more information, please visit Heart.org/MissionLifeline



La Collina Verde

PO Box 5699
Santa Barbara, CA 93150
(805) 969-4276



To: Nic Elmquist, Maeve Juarez, and the Montecito Fire Dept.
From: Linda Peterson & Mike Wilson, La Collina Verde, 770 Coyote Road
Re: Brush clearing and chipping appreciation

We wanted to extend our thanks to the Montecito Fire Department, in particular to Maeve Juarez and Nic Elmquist, for assisting once again in the removal of dead trees and limbs in our lime & avocado orchard on Coyote Road during this year's brush clearing program. Also, thanks for the high-quality chips that result. They do wonders for the soil. The program is a great help in our efforts to keep the orchard healthy, productive, and fire resistant.

The personal interest that MFD takes in all its community outreach and support programs is greatly appreciated.

Best regards,

Linda Peterson, Owner

Mike Wilson, Manager

July 24, 2020

Dear Maere,

There are times when the words, "Thank you" don't tell you how much you appreciate them, when they do something so kind and helpful for you.

This is one of those.

Thank you, again, for all the assistance you gave in helping me with my lovely, old oak trees.

Also, please tell Nia how happy I was to see him.

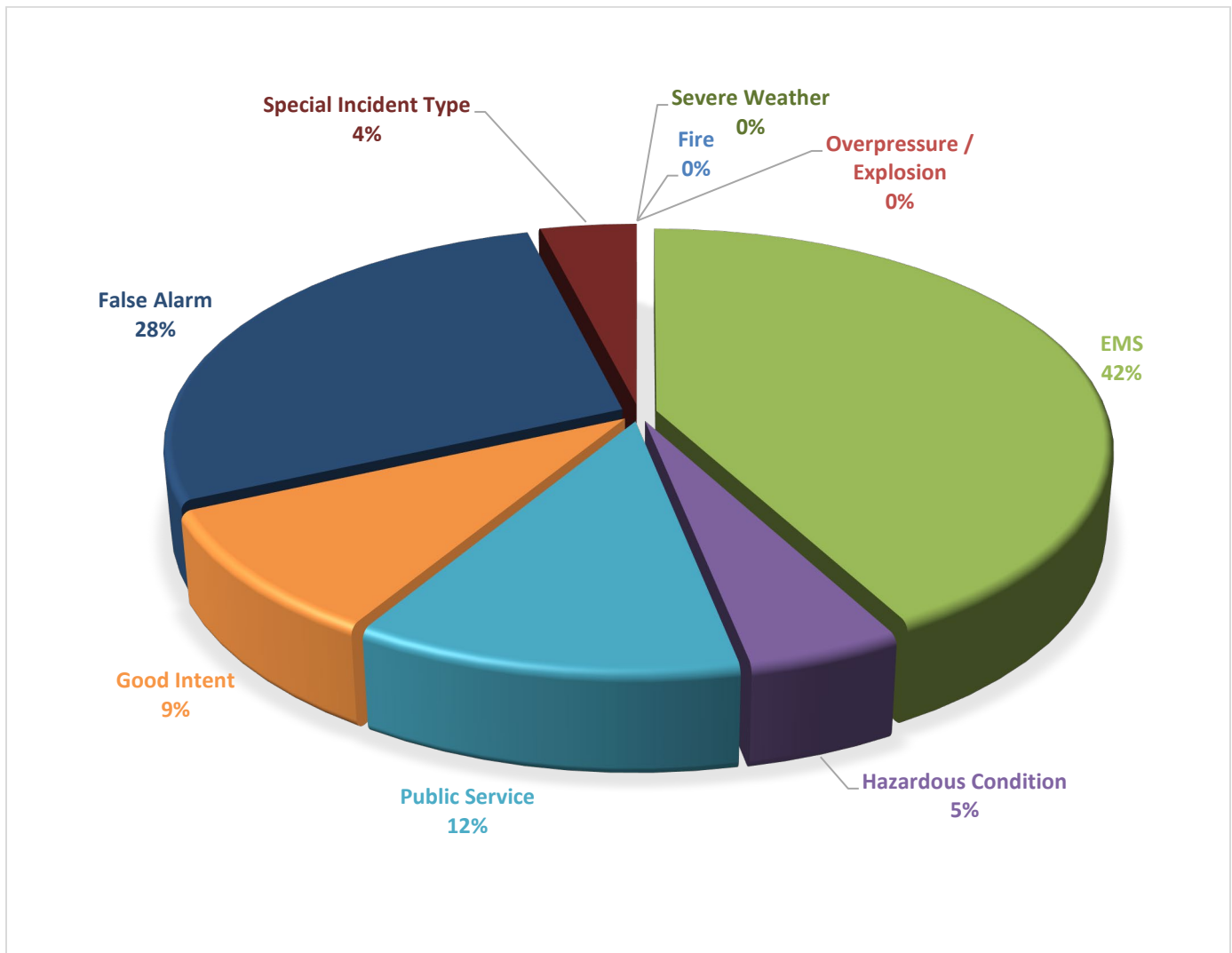
Thank you - dear friends

Josie Lauter

Calls by Incident Type July 2020

Total Incidents: 126

Fire: 0	EMS: 53	Explosion/Overheat: 0
Public Service: 15	Hazardous Condition: 6	Good Intent: 12
False Alarm: 35	Severe Weather: 0	Special Incident: 5



Definitions:

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

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

February - July 2020 Incident Trend

