



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

## Board of Directors

### Agenda

Wednesday, May 9, 2018, 6:30 P.M.

Scotts Valley City Hall

One Civic Center Drive, Scotts Valley CA 95066

Board meetings are televised on Community Television, Channel 25. Agendas and Board Packets are available on the District's web site @ [www.scottsvalleyfire.com](http://www.scottsvalleyfire.com)

Any person who requires a disability related modification or accommodation in order to participate in a public meeting should make such a request to Steve M. Kovacs, Board Secretary, for immediate consideration.

#### 1. Call to Order

1.1 Pledge of Allegiance and Moment of Silence

1.2 Roll Call

#### 2. Public Comment (GC §54954.3)

This portion of the meeting is reserved for persons wishing to address the Board on any matter not on the agenda. Any matter that requires Board action will be referred to staff for a report and action at a subsequent Board meeting.

#### 3. Agenda Amendments (GC §54954.2) – Discussion/Action

#### 4. Consent Calendar

(Consent calendar items will be enacted upon by one motion. There will be no separate discussion on items unless a Board Member, Staff, or member of the public requests removal of the item for separate action.)

4.1 Minutes: Approve Regular Board Meeting Minutes of March 14, 2018

4.2 Payroll: Approve March Payroll 05, 06 and 07 in the amount of: \$ 419,726.84

4.3 Payroll: Approve April Payroll 08 and 09 in the amount of: \$ 297,698.58

4.4 Expenditures: Approve Expenditures for March in the Amount of:

|               |               |
|---------------|---------------|
| General Fund: | \$ 105,587.77 |
| Zone A:       | \$ 918.63     |
| SCHMIT:       | \$ 38.23      |
| TOTAL:        | \$ 106,544.63 |

4.5 Expenditures: Approve Expenditures for April in the Amount of:

|               |               |
|---------------|---------------|
| General Fund: | \$ 152,667.48 |
| Zone A:       | \$ 14,771.38  |
| SCHMIT:       | \$ 1,456.30   |
| TOTAL:        | \$ 168,895.16 |

**Scotts Valley Fire Protection District  
Board of Directors Meeting for May 9, 2018  
Agenda**

**5. Action Items**

- 5.1 Approve Resolution 2018-1: Resolution Requesting Temporary Transfer of Funds, Discussion/Action
- 5.2 Approve Resolution 2018-2: Resolution Accepting and Allocating Unanticipated Revenue, Discussion/Action
- 5.3 Adopt Resolution 2018-3: Resolution Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election, Discussion/Action
- 5.4 Adopt Resolution 2018-4 Establishing Appropriation Limit for Fiscal Year 2017/2018, Discussion/Action
- 5.5 Approve Agreement with the Central Fire Protection District for Vehicle Service and Repairs, Discussion/Action
- 5.6 Accept and File the District's Financial Audit for Fiscal Year Ending June 30, 2017, Discussion/Action
- 5.7 Consider Extending the Firefighter Eligibility List for 90 Days per Policy 1501 - Discussion/Action

**6. Board of Directors and Administrative Reports – Information/Discussion**  
(No action will be taken on any questions raised by the Board at this time.)

- 6.1 Board of Directors Report – *Directors*
- 6.2 Administrative Report – *Chief Officers*

**7. Correspondence – Information**

- 7.1 None

**8. Request for Future Agenda Items**

**9. Adjournment**

Next Regularly Scheduled Board Meeting:  
Wednesday, June 13, 2018 at 6:30 p.m.



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066

(831) 438-0211

Fax (831) 438-0383

## MINUTES OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT BOARD OF DIRECTORS REGULAR MEETING OF March 14, 2018

### 1. Call to Order

The Regular Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Wednesday, March 14, 2018 at the City of Scotts Valley Council Chambers. President Patterson called the meeting to order at 6:30 p.m.

#### 1.1 Pledge of Allegiance and Moment of Silence

President Patterson called for the Pledge of Allegiance and a Moment of Silence to follow.

#### 1.2 Roll Call

|                         |  |
|-------------------------|--|
| A. Directors Present:   | Directors Patterson, Pisciotta, Smith and Warren                         |
| B. Directors Absent:    | Director Campbell  |
| C. Fire District Staff: | Chief Kovacs, Battalion Chief McNeil and Administrative Secretary Walton |

### 2. Public Comment (GC §54954.3)

None

### 3. Agenda Amendments (GC §54954.2) – Discussion/Action

None

### 4. Consent Calendar

#### 4.1 Minutes: Approve Regular Board Meeting Minutes of February 14, 2018

#### 4.2 Payroll: Approve February Payroll 03 and 04 in the amount of: \$ 272,332.24

#### 4.3 Expenditures: Approve Expenditures for February in the Amount of:

|                      |              |
|----------------------|--------------|
| <u>General Fund:</u> | \$ 99,991.83 |
| <u>Zone A:</u>       | \$ 1,209.38  |
| <u>SCHMIT:</u>       | \$ 110.53    |
| <u>TOTAL:</u>        | \$101,311.74 |

#### 4.4 Approve Payment in the amount of \$162,117.76 to Santa Cruz County Bank for the CalPERS Side Fund Loan

#### 4.5 Approve Surplus Equipment List and Authorize Disposal of Surplus Items

Director Smith inquired about the process to dispose of the surplus items. Chief Kovacs stated that there is no specific Policy for disposal of surplus items. The plan is to offer the surplus items to the Branciforte Fire Protection District (BFPD) first, then the Valley Fire Agencies, other needy Volunteer Agencies or the Bomberos.

**On motion of Director Pisciotta seconded by Director Smith to Accept as Presented Items 4.1 through 4.5 was approved by the following vote:**

**SCOTTS VALLEY FIRE PROTECTION DISTRICT**  
**Regular Board Meeting March 14, 2018**

**AYES:** Patterson, Pisciotto, Smith and Warren  
**NOES:** None  
**ABSENT:** Campbell  
**ABSTAIN:** None

**5. Action Item**

5.1 None

**6. Board of Directors and Administrative Reports – Information/Discussion**  
(No action will be taken on any questions raised by the Board at this time.)

**6.1 Board of Directors Report – Directors**

President Patterson stated that last Monday he attended the Scotts Valley General Planning Meeting Public Safety Presentation. Administrative Captain Stubendorff gave a presentation at the meeting, which was informative and well done.

**6.2 Administrative Report – Chief Officers**

The full Administrative Report was included in the packet and Chief Kovacs added the following:

- If there are any Policy changes for the Administrative Captain/Deputy Fire Marshal position, a Special Meeting may be necessary to keep with the July 1<sup>st</sup> start date.
- The SVFPD and BFPD Finance Committees will be meeting to discuss the Administrative Agreement.
- April 5<sup>th</sup> and 6<sup>th</sup>, I will be attending the Labor-Management Alliance Conference in Denver. The Conference is for Fire Agency Managers and Unions and Captain Petteys will be attending as well.
- The registration for the FDAC conference has been completed and the rooms have been booked.

**7. Correspondence – Information**

7.1 None

**8. Request for Future Agenda Items**

Director Warren inquired if there was a Policy on school shootings. Chief Kovacs stated that he recently met with the Police Chief and they will be working together to establish a Policy.

Battalion Chief (BC) McNeil stated that last year the crews attended a Countywide Active Shooter Drill at UCSC. This year, the Countywide Active Shooter Drill will be a full week in June and crews and a BC will be attending each day.

BC McNeil stated that he attended a meeting with BC Whittle, the Scotts Valley High School and the Scotts Valley Police Department to discuss having a Code Red Drill for a school shooting.

**9. Adjournment**

The meeting was adjourned at 6:40 p.m.

ATTEST

\_\_\_\_\_  
Russ Patterson  
Board President

\_\_\_\_\_  
Steve M. Kovacs  
Board Secretary

| Date Range from 02/03/2018 To 03/28/2018 |        |    |                     |
|--|--------|----|---------------------|
| PAYROLL                                  | ACCT.# | PP | TOTALS              |
| Regular Pay                              | 51000  | 5  | \$116,609.68        |
|  |        | 6  | \$117,386.80        |
|  |        | 7  | \$117,160.84        |
| Overtime                                 | 51005  | 5  | \$2,325.30          |
|  |        | 6  | \$7,448.83          |
|  |        | 7  | \$6,203.49          |
| Regular Pay, Extra Help (PCF)            | 51010  | 5  | \$4,533.00          |
|  |        | 6  | \$0.00              |
|  |        | 7  | \$6,248.00          |
| Regular Pay, Sick Leave                  | 51015  | 5  | \$0.00              |
|  |        | 6  | \$0.00              |
|  |        | 7  | \$0.00              |
| Regular Callback Pay                     | 51025  | 5  | \$2,485.71          |
|  |        | 6  | \$5,004.95          |
|  |        | 7  | \$4,901.76          |
| Holiday Pay                              | 51035  | 5  | \$0.00              |
|  |        | 6  | \$0.00              |
|  |        | 7  | \$0.00              |
| Differential Pay                         | 51040  | 5  | \$5,648.57          |
|  |        | 6  | \$5,648.57          |
|  |        | 7  | \$5,648.57          |
| Regular Pay, Sick Leave Reserve          | 55020  | 5  | \$0.00              |
|  |        | 6  | \$0.00              |
|  |        | 7  | \$0.00              |
| Misc Benefits, Vacation Payoff           | 55021  | 5  | \$4,157.59          |
|  |        | 6  | \$4,157.59          |
|  |        | 7  | \$4,157.59          |
| Directors Fees                           | 62327  | 5  | \$0.00              |
|  |        | 6  | \$0.00              |
|  |        | 7  | \$0.00              |
| <b>TOTAL PAYROLL</b>                     |        |    | <b>\$419,726.84</b> |

03/30/2018

|                                 |        | Date Range from 03/24/2018 To 04/20/2018 |                     |
|---------------------------------|--------|--|---------------------|
| PAYROLL                         | ACCT.# | PP                                       | TOTALS              |
| Regular Pay                     | 51000  | 8  | \$117,349.31        |
|                                 |        | 9  | \$116,964.60        |
| Overtime                        | 51005  | 8  | \$2,893.06          |
|                                 |        | 9  | \$3,379.16          |
| Regular Pay, Extra Help (PCF)   | 51010  | 8  | \$0.00              |
|                                 |        | 9  | \$5,335.50          |
| Regular Pay, Sick Leave         | 51015  | 8  | \$0.00              |
|                                 |        | 9  | \$0.00              |
| Regular Callback Pay            | 51025  | 8  | \$14,896.56         |
|                                 |        | 9  | \$15,768.07         |
| Holiday Pay                     | 51035  | 8  | \$0.00              |
|                                 |        | 9  | \$0.00              |
| Differential Pay                | 51040  | 8  | \$5,648.57          |
|                                 |        | 9  | \$5,648.57          |
| Regular Pay, Sick Leave Reserve | 55020  | 8  | \$0.00              |
|                                 |        | 9  | \$0.00              |
| Misc Benefits, Vacation Payoff  | 55021  | 8  | \$4,157.59          |
|                                 |        | 9  | \$4,157.59          |
| Directors Fees                  | 62327  | 8  | \$1,500.00          |
|                                 |        | 9  | \$0.00              |
| <b>TOTAL PAYROLL</b>            |        |  | <b>\$297,698.58</b> |

**CLAIMS BY GL OBJ**

03/30/2018

Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)

| Claim Date  | Vendor   | Message   | Amount             |
|---|--|---|--------------------|
| <b>GL Key: 685010</b>                                 |  |   |                    |
| <b>GL Obj: 53010 Group Health - Dental Insurance</b>  |  |   |                    |
| 03/15/2018  | CALPERS RETIREMENT SYSTEM                      | Health Ins.- 3/2018   | \$52,528.24        |
| 03/19/2018  | HEALTH CARE EMPLOYEES/EMPLOYER<br>DENTAL TRUST | Dental Ins.- 4/2018   | \$4,789.68         |
| 03/19/2018  | FDAC EBA                                       | Life & Vision Ins.- 4/2018  | \$1,221.44         |
| 03/22/2018  | MIKE BIDDLE                                    | Retiree Health Ins.- 4/2018   | \$1,378.37         |
| 03/22/2018  | MCNEIL AND COMPANY, INC.                       | PCF Accident Ins thru- 4/1/18   | \$2,099.00         |
| 03/22/2018  | MICHAEL MCMURRY                                | Retiree Health Ins.- 4/2018   | \$1,480.29         |
| 03/22/2018  | MIKE PHINN                                     | Retiree Health Ins.- 4/2018   | \$834.90           |
| 03/22/2018  | JIM DELUCCHI                                   | Retiree Health Ins.- 4/2018 #16 of 30   | \$776.26           |
| 03/22/2018  | SAL LOFRANCO                                   | Retiree Health Ins.- 4/2018   | \$538.18           |
| <b>SubObject Total</b>                                |  |   | <b>\$65,646.36</b> |
| <b>GL Obj: 61110 Clothing &amp; Personal Supplies</b> |  |   |                    |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | IMS Alliance- PAR tags  | \$37.84            |
| 03/19/2018  | L.N. CURTIS & SONS                             | PPE- Helmet, nomex shroud   | \$96.98            |
| <b>SubObject Total</b>                                |  |   | <b>\$134.82</b>    |
| <b>GL Obj: 61125 Uniform Clothing Allowance</b>       |  |   |                    |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Summit- Walton credit<br>Summit- Class A patch BC McNeil, Theilen   | \$109.45           |
| <b>SubObject Total</b>                                |  |   | <b>\$109.45</b>    |
| <b>GL Obj: 61221 Telephone &amp; Telegraph</b>        |  |   |                    |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Verizon- Cellular 12/5-1/4/18<br>Verizon- Cellular 1/5-2/4/18<br>Comcast-VF1 Internet & Phones 1/20-2/19/18<br>Comcast-VF2 Internet & Phones 1/21-2/20/18 | \$1,489.66         |
| <b>SubObject Total</b>                                |  |   | <b>\$1,489.66</b>  |
| <b>GL Obj: 61310 Food</b>                             |  |   |                    |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Costco- Water   | \$9.98             |
| <b>SubObject Total</b>                                |  |   | <b>\$9.98</b>      |
| <b>GL Obj: 61425 Household Expense</b>                |  |   |                    |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Costco- Station supplies<br>Mid Valley Supply- Dispenser soap   | \$600.40           |
| <b>SubObject Total</b>                                |  |   | <b>\$600.40</b>    |

**CLAIMS BY GL OBJ**

03/30/2018

Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)

| Claim Date   | Vendor                             | Message  | Amount             |
|--|------------------------------------|--|--------------------|
| <b>GL Obj: 61720 Maintenance - Mobile Equipment</b>        |                                    |  |                    |
| 03/02/2018   | L.N. CURTIS & SONS                 | E2537- Foam pump motor drive (repair part)         | \$1,318.90         |
| 03/02/2018   | CENTRAL FIRE DISTRICT              | E2512- Annual inspection                           | \$5,971.41         |
| 03/02/2018   | WS DARLEY AND CO.                  | E2537- Aux pump packing                            | \$70.72            |
| 03/07/2018   | WINCHESTER AUTO STORES             | U2593- Service                                     | \$30.49            |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM | LN Curtis- E2512 tail lights                       | \$2,295.54         |
|  |                                    | Dan's Upholstery- E2512 recover seats              |                    |
|  |                                    | Tehama Tires- E2511 front tires                    |                    |
| 03/19/2018   | CENTRAL FIRE DISTRICT              | E2537- Annual inspection                           | \$1,118.20         |
| 03/19/2018   | CENTRAL FIRE DISTRICT              | WT2550- Annual inspection                          | \$605.31           |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$11,410.57</b> |
| <b>GL Obj: 61725 Maintenance - Office Equipment</b>        |                                    |  |                    |
| 03/02/2018   | PAGODA TECHNOLOGIES INC.           | Computer Management- 3/2018                        | \$1,011.12         |
| 03/07/2018   | PAGODA TECHNOLOGIES INC.           | Desk Top computer replacements- Service            | \$400.00           |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$1,411.12</b>  |
| <b>GL Obj: 61730 Maintenance - Other Equipment</b>         |                                    |  |                    |
| 03/02/2018   | SCARBOROUGH LUMBER & BUILDING      | Rust stop, silicon lube                            | \$57.58            |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM | Costco- Batteries                                  | \$163.72           |
| 03/29/2018   | SCARBOROUGH LUMBER & BUILDING      | VF2- LED bulbs, cable ties<br>tape, nails, gromets | \$149.75           |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$371.05</b>    |
| <b>GL Obj: 61845 Maintenance - Buildings &amp; Grounds</b> |                                    |  |                    |
| 03/02/2018   | SCARBOROUGH LUMBER & BUILDING      | Salt softner, outlets, heater with thermostat      | \$122.30           |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM | Rayne- 1/2018 water softener exchange              | \$193.40           |
|  |                                    | Home Depot- VF1 drinking water filters             |                    |
| 03/22/2018   | CENTRAL COATING COMPANY, INC.      | Roof Inspection- VF1                               | \$495.00           |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$810.70</b>    |
| <b>GL Obj: 61920 Medical Supplies</b>                      |                                    |  |                    |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM | Analgesic- Oxygen rental                           | \$51.75            |
| 03/19/2018   | BOUND TREE MEDICAL, LLC            | Medical Supplies- Gloves, BP cuff, glucose strips  | \$624.26           |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$676.01</b>    |
| <b>GL Obj: 62111 Miscellaneous Expenses</b>                |                                    |  |                    |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM | Safeway- Admin meeting                             | \$72.76            |
|  |                                    | Togo's- Admin meeting                              |                    |
| <b>SubObject Total</b>                                     |                                    |  | <b>\$72.76</b>     |



**CLAIMS BY GL OBJ**

03/30/2018

*Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)*

| Claim Date   | Vendor  | Message  | Amount            |
|--|---|--|-------------------|
| <b>GL Obj: 62219 PC Software</b>                             |   |  |                   |
| 03/07/2018   | CALLBACK STAFFING SOLUTIONS LLC                   | Monthly Pro Support- 3/3-4/2/18  | \$99.99           |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM                | Apple iTunes- PDF maps app   | \$49.98           |
| 03/19/2018   | CALLBACK STAFFING SOLUTIONS LLC                   | Network Solutions- Monthly pro support   | \$98.94           |
| 03/19/2018   | ESO SOLUTIONS INC                                 | Monthly pro support- PCF's   | \$98.94           |
|  |   | Firehouse software- 4/1/18-3/31/19   | \$1,710.00        |
| <b>SubObject Total</b>                                       |   |  | <b>\$1,958.91</b> |
| <b>GL Obj: 62223 Office Supplies</b>                         |   |  |                   |
| 03/14/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM                | USPS- Certified mail   | \$113.74          |
|  |   | Kmart- Storage bins  |                   |
| <b>SubObject Total</b>                                       |   |  | <b>\$113.74</b>   |
| <b>GL Obj: 62367 Medical Services</b>                        |   |  |                   |
| 03/22/2018   | EMERYVILLE OCCUPATIONAL MEDICAL CENTER            | Medical Physical   | \$595.00          |
| <b>SubObject Total</b>                                       |   |  | <b>\$595.00</b>   |
| <b>GL Obj: 62381 Professional &amp; Specialized Services</b> |   |  |                   |
| 03/02/2018   | CENTRAL COAST CISM TEAM                           | Additionally Insured- 1/1/18-1/1/19  | \$162.00          |
| 03/19/2018   | DAWSON,PASSAFUIME,BOWDEN & MARTINEZ               | Facilities study   | \$168.75          |
| 03/19/2018   | GENE MICHALAK                                     | BRD Video- 3/14/18   | \$110.00          |
| 03/22/2018   | GROUP 4 ARCHITECTURE RESEARCH & PLANNING          | Facilities study   | \$918.62          |
| 03/29/2018   | CSG CONSULTANTS, INC.                             | Inspection- 800 Bethany<br>Plan Review- Polo ranch, Ridge lane<br>Bean Creek #94, Grove #8, Lockhart gulch<br>100 Enterprise,Falcon ridge, 5015 SV Dr. | \$950.00          |
| <b>SubObject Total</b>                                       |   |  | <b>\$2,309.37</b> |
| <b>GL Obj: 62715 Small Tools &amp; Equipment</b>             |   |  |                   |
| 03/02/2018   | SCARBOROUGH LUMBER & BUILDING                     | Screwdriver set  | \$47.63           |
| 03/29/2018   | SCARBOROUGH LUMBER & BUILDING                     | Radio screwdriver  | \$6.86            |
| <b>SubObject Total</b>                                       |   |  | <b>\$54.49</b>    |
| <b>GL Obj: 62888 District Special Expense</b>                |   |  |                   |
| 03/02/2018   | SCARBOROUGH LUMBER & BUILDING                     | Forceable entry prop   | \$26.43           |
| 03/02/2018   | ALLSTAR FIRE EQUIPMENT, INC.                      | Class A foam (15-5 gallon pails)   | \$1,471.50        |
| 03/29/2018   | CALIFORNIA DEPARTMENT OF TAX & FEE ADMINISTRATION | Use Tax- 17/18 FY  | \$1,476.00        |
| <b>SubObject Total</b>                                       |   |  | <b>\$2,973.93</b> |

**CLAIMS BY GL OBJ**

03/30/2018

Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)

| Claim Date  | Vendor  | Message   | Amount              |
|---|---|---|---------------------|
| <b>GL Obj: 62914 Education &amp; Training</b>           |   |   |                     |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT SYSTEM              | South Bay- S-330- Grigg, Petteys, Stubendorff<br>Fire Nuggets- Nozzle class Avila,Grigg<br>Amazon-Leadership books<br>Petro- Chief officer 3B fuel<br>Chief Officer 3B meals- McNeil<br>BestWest- Lodging- McNeil | \$1,468.28          |
| 03/19/2018  | ACTIVE WELLNESS LLC                             | Yoga- 2/2018  | \$720.00            |
| 03/29/2018  | SCARBOROUGH LUMBER & BUILDING                   | Roof Prop   | \$240.67            |
| 03/29/2018  | ANDREW LOFRANCO                                 | Reimbursement- S-330 class  | \$153.00            |
| <b>SubObject Total</b>                                  |   |   | <b>\$2,581.95</b>   |
| <b>GL Obj: 62920 Gas, Oil &amp; Fuel</b>                |   |   |                     |
| 03/02/2018  | SANTA CRUZ COUNTY ENVIRONMENTAL HEALTH SERVICES | Erba- HMMP 2018   | \$1,228.00          |
| 03/19/2018  | FLYERS ENERGY LLC                               | Fuel- Small tools   | \$329.98            |
| 03/22/2018  | FLYERS ENERGY LLC                               | Fuel/Diesel   | \$997.21            |
| <b>SubObject Total</b>                                  |   |   | <b>\$2,555.19</b>   |
| <b>GL Obj: 62930 Conference Tuition - Registrations</b> |   |   |                     |
| 03/22/2018  | FIRE DISTRICTS ASSOCIATION OF CA                | FDAC 2018- Registration (4)   | \$1,570.00          |
| <b>SubObject Total</b>                                  |   |   | <b>\$1,570.00</b>   |
| <b>GL Obj: 63070 Utilities</b>                          |   |   |                     |
| 03/07/2018  | SCOTTS VALLEY WATER DISTRICT                    | Water- VF1 12/5-2/5/18  | \$305.24            |
| 03/07/2018  | SCOTTS VALLEY WATER DISTRICT                    | Water- VF2 12/8-2/8/18  | \$275.53            |
| 03/07/2018  | SCOTTS VALLEY WATER DISTRICT                    | Fire Service- VF2 12/8-2/8/18   | \$18.55             |
| 03/07/2018  | SCOTTS VALLEY WATER DISTRICT                    | Fire Service- VF1 12/5-2/5/18   | \$18.44             |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT SYSTEM              | SV Water- RW VF2 12/29-1/31/18  | \$264.39            |
| 03/19/2018  | PG&E  | Greenwaste- VF1 Trash 1/1-1/31/18   |                     |
| 03/19/2018  | PG&E  | Gas- VF1 2/3-3/6/18   | \$248.46            |
| 03/19/2018  | PG&E  | Electric- VF1 2/2-3/5/18  | \$813.80            |
| 03/19/2018  | PG&E  | Gas- VF2 2/3-3/6/18   | \$208.47            |
| 03/19/2018  | PG&E  | Electric- VF2 2/2-3/5/18  | \$447.20            |
| <b>SubObject Total</b>                                  |   |   | <b>\$2,600.08</b>   |
| <b>GL Obj: 86203 Computer Equipment</b>                 |   |   |                     |
| 03/07/2018  | PAGODA TECHNOLOGIES INC.                        | Desktop computer replacements   | \$3,276.91          |
| <b>SubObject Total</b>                                  |   |   | <b>\$3,276.91</b>   |
| <b>GL Obj: 86204 Equipment</b>                          |   |   |                     |
| 03/14/2018  | U.S. BANK CORPORATE PAYMENT SYSTEM              | Zephyr- E2511 hurst tool mounts   | \$826.76            |
| 03/19/2018  | L.N. CURTIS & SONS                              | Hurst 110V power supply adapter   | \$1,428.56          |
| <b>SubObject Total</b>                                  |   |   | <b>\$2,255.32</b>   |
| <b>Index Total</b>                                      |   |   | <b>\$105,587.77</b> |

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**CLAIMS BY GL OBJ**

03/30/2018

*Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)*

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| Claim Date | Vendor | Message | Amount |
|------------|--------|---------|--------|
|------------|--------|---------|--------|

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**GL Key: 685020****GL Obj: 62381 Professional & Specialized Services**03/22/2018 GROUP 4 ARCHITECTURE RESEARCH & Facilities study  
PLANNING

\$918.63

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|                        |          |
|------------------------|----------|
| <b>SubObject Total</b> | \$918.63 |
|------------------------|----------|

|                    |          |
|--------------------|----------|
| <b>Index Total</b> | \$918.63 |
|--------------------|----------|

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**CLAIMS BY GL OBJ**

03/30/2018

*Filter: (Claim Date is between 03/01/2018  
and 03/31/2018)(Pre-Approved Excluded)*

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| Claim Date | Vendor | Message | Amount |
|------------|--------|---------|--------|
|------------|--------|---------|--------|

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**GL Key: 685040****GL Obj: 61221 Telephone & Telegraph**

|            |                                       |                                    |         |
|------------|---------------------------------------|------------------------------------|---------|
| 03/14/2018 | U.S. BANK CORPORATE PAYMENT<br>SYSTEM | Verizon-SCHMIT cellular 1/5-2/4/18 | \$38.23 |
|------------|---------------------------------------|------------------------------------|---------|

|                        |                |
|------------------------|----------------|
| <b>SubObject Total</b> | <b>\$38.23</b> |
|------------------------|----------------|

|                    |                |
|--------------------|----------------|
| <b>Index Total</b> | <b>\$38.23</b> |
|--------------------|----------------|

|                    |                     |
|--------------------|---------------------|
| <b>Grand Total</b> | <b>\$106,544.63</b> |
|--------------------|---------------------|

**CLAIMS BY GL OBJ**

05/03/2018

Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)

| Claim Date  | Vendor   | Message  | Amount             |
|---|--|--|--------------------|
| <b>GL Key: 685010</b>                                     |  |  |                    |
| <b>GL Obj: 53010 Group Health - Dental Insurance</b>      |  |  |                    |
| 04/06/2018  | HEALTH CARE EMPLOYEES/EMPLOYER<br>DENTAL TRUST | Dental Ins.- 5/2018  | \$4,789.68         |
| 04/09/2018  | CALPERS RETIREMENT SYSTEM                      | Health Ins.- 4/2018  | \$50,961.83        |
| 04/12/2018  | FDAC EBA                                       | Life & Vision Ins.- 5/2018   | \$1,229.54         |
| 04/24/2018  | MIKE BIDDLE                                    | Retiree Health Ins.- 5/2018  | \$1,378.37         |
| 04/24/2018  | MICHAEL MCMURRY                                | Retiree Health Ins.- 5/2018  | \$1,480.29         |
| 04/24/2018  | SAL LOFRANCO                                   | Retiree Health Ins.- 5/2018  | \$538.18           |
| 04/24/2018  | MIKE PHINN                                     | Retiree Health Ins.- 5/2018  | \$834.90           |
| 04/24/2018  | JIM DELUCCHI                                   | Retiree Health Ins.- 5/2018 #17 of 30  | \$776.26           |
| <b>SubObject Total</b>                                    |  |  | <b>\$61,989.05</b> |
| <b>GL Obj: 61110 Clothing &amp; Personal Supplies</b>     |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Workboots.com- Boots- J.Owens, Sundermier  | \$590.90           |
| 04/06/2018  | L.N. CURTIS & SONS                             | Extractor detergent  | \$182.59           |
| <b>SubObject Total</b>                                    |  |  | <b>\$773.49</b>    |
| <b>GL Obj: 61215 Radio Services: Dispatch NetCom Fees</b> |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Active 911- Annual subscription renewal  | \$482.23           |
| <b>SubObject Total</b>                                    |  |  | <b>\$482.23</b>    |
| <b>GL Obj: 61221 Telephone &amp; Telegraph</b>            |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Comcast- VF1 Internet & Phones 2/20-3/19/18<br>Comcast- VF2 Internet & Phones 2/21-3/20/18<br>Verizon- Cellular 2/5-3/4/18 | \$927.56           |
| <b>SubObject Total</b>                                    |  |  | <b>\$927.56</b>    |
| <b>GL Obj: 61310 Food</b>                                 |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Mountain Mike's- Crew meal-structure fire<br>Costco- Water   | \$311.12           |
| <b>SubObject Total</b>                                    |  |  | <b>\$311.12</b>    |
| <b>GL Obj: 61425 Household Expense</b>                    |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | Costco- Station supplies   | \$111.89           |
| <b>SubObject Total</b>                                    |  |  | <b>\$111.89</b>    |
| <b>GL Obj: 61720 Maintenance - Mobile Equipment</b>       |  |  |                    |
| 04/06/2018  | U.S. BANK CORPORATE PAYMENT<br>SYSTEM          | AllStar Fire- E2537 akron 8820 repair kit  | \$110.97           |
| 04/12/2018  | WINCHESTER AUTO STORES                         | Tire foam, squeegee  | \$27.64            |
| 04/12/2018  | CENTRAL FIRE DISTRICT                          | E2510- Annual inspection   | \$788.74           |
| 04/12/2018  | GOLDEN STATE EMERGENCY VEHICLE<br>SERVICE      | E2512- Pump panel parts  | \$10.25            |
| 04/20/2018  | GOLDEN STATE EMERGENCY VEHICLE                 | E2510- Marker lights   | \$144.88           |

**CLAIMS BY GL OBJ**

05/03/2018

Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)

| Claim Date   | Vendor                                 | Message  | Amount             |
|--|--|--|--------------------|
|  | SERVICE                                |  |                    |
| 04/24/2018   | CENTRAL FIRE DISTRICT                  | E2512- Repairs/coolant leak  | \$9,679.65         |
| 04/24/2018   | GOLDEN STATE EMERGENCY VEHICLE SERVICE | E2510- Gauges (3)  | \$330.56           |
| <b>SubObject Total</b>                                     |  |  | <b>\$11,092.69</b> |
| <b>GL Obj: 61725 Maintenance - Office Equipment</b>        |  |  |                    |
| 04/06/2018   | PAGODA TECHNOLOGIES INC.               | Computer Management- 4/2018  | \$1,011.12         |
| <b>SubObject Total</b>                                     |  |  | <b>\$1,011.12</b>  |
| <b>GL Obj: 61730 Maintenance - Other Equipment</b>         |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM     | UPS- Shipping BK radio repairs (6)<br>Costco- Batteries<br>Cascade Fire- Voice amplifiers (2)<br>OSI Batteries- E2511 rebuild TIC battery<br>UPS- E2511 TIC battery shipping | \$423.94           |
| 04/12/2018   | WINCHESTER AUTO STORES                 | Ultrasorb  | \$436.00           |
| 04/20/2018   | SANTA CRUZ FIRE EQUIPMENT              | Hydrostatic test on BA bottle  | \$40.00            |
| <b>SubObject Total</b>                                     |  |  | <b>\$899.94</b>    |
| <b>GL Obj: 61845 Maintenance - Buildings &amp; Grounds</b> |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM     | Rayne- 3/2018 Water softener exchange<br>Amazon- Fire extinguisher box, everpure filter<br>VF1 drive belt  | \$440.51           |
| 04/12/2018   | WESTERN EXTERMINATOR COMPANY           | Bug Service- VF1 3/2018  | \$51.00            |
| 04/12/2018   | WESTERN EXTERMINATOR COMPANY           | Bug Service- VF2 3/2018  | \$51.00            |
| <b>SubObject Total</b>                                     |  |  | <b>\$542.51</b>    |
| <b>GL Obj: 61920 Medical Supplies</b>                      |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM     | Gary's Plastic Place- Narcotic lock boxes<br>Analgesic- Annual oxygen cylinder rental-3/18-3/19  | \$566.38           |
| <b>SubObject Total</b>                                     |  |  | <b>\$566.38</b>    |
| <b>GL Obj: 62219 PC Software</b>                           |  |  |                    |
| 04/06/2018   | CALLBACK STAFFING SOLUTIONS LLC        | Monthly Pro support- 4/3-5/2/18  | \$99.99            |
| <b>SubObject Total</b>                                     |  |  | <b>\$99.99</b>     |
| <b>GL Obj: 62223 Office Supplies</b>                       |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT SYSTEM     | Quill- Credit return toner<br>Amazon- Credit avery dividers<br>USPS- Postage, stamps<br>Quill- Toner 305A, 305X  | \$116.05           |
| <b>SubObject Total</b>                                     |  |  | <b>\$116.05</b>    |

**CLAIMS BY GL OBJ**

05/03/2018

Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)

| Claim Date   | Vendor                                       | Message  | Amount             |
|--|--|--|--------------------|
| <b>GL Obj: 62301 Accounting &amp; Auditing Fees</b>          |  |  |                    |
| 04/16/2018   | COUNTY OF SANTA CRUZ -<br>AUDITOR/CONTROLLER | 2017/2018 Property Tax Admin Fees  | \$48,785.00        |
| <b>SubObject Total</b>                                       |  |  | <b>\$48,785.00</b> |
| <b>GL Obj: 62367 Medical Services</b>                        |  |  |                    |
| 04/12/2018   | EMERYVILLE OCCUPATIONAL MEDICAL<br>CENTER    | OSHA Respirator Questionnaire  | \$30.00            |
| 04/12/2018   | EMERYVILLE OCCUPATIONAL MEDICAL<br>CENTER    | Medical Physical   | \$75.00            |
| 04/12/2018   | EMERYVILLE OCCUPATIONAL MEDICAL<br>CENTER    | OSHA Respirator Questionnaire  | \$30.00            |
| <b>SubObject Total</b>                                       |  |  | <b>\$135.00</b>    |
| <b>GL Obj: 62381 Professional &amp; Specialized Services</b> |  |  |                    |
| 04/12/2018   | GROUP 4 ARCHITECTURE RESEARCH &<br>PLANNING  | Facilities study   | \$13,794.37        |
| 04/20/2018   | LIEBERT CASSIDY WHITMORE                     | Legal counsel consultation   | \$2,685.27         |
| 04/20/2018   | LIEBERT CASSIDY WHITMORE                     | Legal counsel consultation   | \$410.00           |
| <b>SubObject Total</b>                                       |  |  | <b>\$16,889.64</b> |
| <b>GL Obj: 62715 Small Tools &amp; Equipment</b>             |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT<br>SYSTEM        | Amazon- Bluetooth keyboards, iPad stands<br>Fire Store- E2512, E2510 2-Vulcan lights                                 | \$461.89           |
| <b>SubObject Total</b>                                       |  |  | <b>\$461.89</b>    |
| <b>GL Obj: 62914 Education &amp; Training</b>                |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT<br>SYSTEM        | EMSA- Paramedic renewal- Ronzano<br>CFCA- Chaplain class- Cahir, Duncan<br>Red Helmet- Chief fire officer 3A- McNeil | \$1,190.00         |
| 04/12/2018   | ACTIVE WELLNESS LLC                          | Yoga- 3/2018   | \$1,080.00         |
| <b>SubObject Total</b>                                       |  |  | <b>\$2,270.00</b>  |
| <b>GL Obj: 62920 Gas, Oil &amp; Fuel</b>                     |  |  |                    |
| 04/12/2018   | FLYERS ENERGY LLC                            | Fuel/Diesel  | \$1,416.87         |
| 04/24/2018   | FLYERS ENERGY LLC                            | Fuel/Diesel  | \$761.81           |
| <b>SubObject Total</b>                                       |  |  | <b>\$2,178.68</b>  |
| <b>GL Obj: 62930 Conference Tuition - Registrations</b>      |  |  |                    |
| 04/06/2018   | U.S. BANK CORPORATE PAYMENT<br>SYSTEM        | Hyatt- LCW lodging & parking- Walton<br>Southwest Air- LMA conference- Kovacs  | \$1,064.00         |
| <b>SubObject Total</b>                                       |  |  | <b>\$1,064.00</b>  |

**CLAIMS BY GL OBJ**

05/03/2018

*Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)*

| Claim Date                                 | Vendor                             | Message                                     | Amount              |
|--|------------------------------------|---|---------------------|
| <b>GL Obj: 63070    Utilities</b>          |                                    |   |                     |
| 04/06/2018                                 | U.S. BANK CORPORATE PAYMENT SYSTEM | SV Water District- VF2 RW 2/1-2/28/18       | \$264.39            |
|  |                                    | Greenwaste- VF1 trash & recycle 2/1-2/28/18 |                     |
| 04/12/2018                                 | PG&E                               | Gas- VF1 3/7-4/4/18                         | \$163.59            |
| 04/12/2018                                 | PG&E                               | Gas- VF2 3/7-4/4/18                         | \$149.61            |
| 04/12/2018                                 | CITY OF SCOTTS VALLEY              | Sewer- VF2 1/15-3/15/18                     | \$70.32             |
| 04/12/2018                                 | CITY OF SCOTTS VALLEY              | Sewer- VF1 1/15-3/15/18                     | \$123.82            |
| 04/20/2018                                 | PG&E                               | Electric- VF2 3/6-4/3/18                    | \$398.00            |
| 04/20/2018                                 | PG&E                               | Electric- VF1 3/6-4/3/18                    | \$741.39            |
| <b>SubObject Total</b>                     |                                    |   | <b>\$1,911.12</b>   |
| <b>GL Obj: 86203    Computer Equipment</b> |                                    |   |                     |
| 04/06/2018                                 | U.S. BANK CORPORATE PAYMENT SYSTEM | Amazon- Sound bars (2)                      | \$48.13             |
| <b>SubObject Total</b>                     |                                    |   | <b>\$48.13</b>      |
| <b>Index Total</b>                         |                                    |   | <b>\$152,667.48</b> |



**CLAIMS BY GL OBJ**

05/03/2018

*Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)*

| Claim Date | Vendor | Message | Amount |
|------------|--------|---------|--------|
|------------|--------|---------|--------|

**GL Key: 685020****GL Obj: 62301 Accounting & Auditing Fees**

|            |  |                                   |          |
|------------|--|-----------------------------------|----------|
| 04/16/2018 | COUNTY OF SANTA CRUZ -<br>AUDITOR/CONTROLLER | 2017/2018 Property Tax Admin Fees | \$977.00 |
|------------|--|-----------------------------------|----------|

|                        |                 |
|------------------------|-----------------|
| <b>SubObject Total</b> | <b>\$977.00</b> |
|------------------------|-----------------|

**GL Obj: 62381 Professional & Specialized Services**

|            |   |                  |             |
|------------|---|------------------|-------------|
| 04/12/2018 | GROUP 4 ARCHITECTURE RESEARCH &<br>PLANNING | Facilities study | \$13,794.38 |
|------------|---|------------------|-------------|

|                        |                    |
|------------------------|--------------------|
| <b>SubObject Total</b> | <b>\$13,794.38</b> |
|------------------------|--------------------|

|                    |                    |
|--------------------|--------------------|
| <b>Index Total</b> | <b>\$14,771.38</b> |
|--------------------|--------------------|

**CLAIMS BY GL OBJ**

05/03/2018

*Filter: (Claim Date is between 04/01/2018  
and 04/30/2018)(Pre-Approved Excluded)*

| Claim Date | Vendor | Message | Amount |
|------------|--------|---------|--------|
|------------|--------|---------|--------|

**GL Key: 685040****GL Obj: 61221 Telephone & Telegraph**

|            |                                       |  |         |
|------------|---------------------------------------|--|---------|
| 04/06/2018 | U.S. BANK CORPORATE PAYMENT<br>SYSTEM | Verizon- Cellular & Jetpack 2/5-3/4/18 | \$38.23 |
|------------|---------------------------------------|--|---------|

|                        |                |
|------------------------|----------------|
| <b>SubObject Total</b> | <b>\$38.23</b> |
|------------------------|----------------|

**GL Obj: 61720 Maintenance - Mobile Equipment**

|            |                       |                           |            |
|------------|-----------------------|---------------------------|------------|
| 04/12/2018 | CENTRAL FIRE DISTRICT | HM2560- Annual inspection | \$1,349.09 |
|------------|-----------------------|---------------------------|------------|

|                        |                   |
|------------------------|-------------------|
| <b>SubObject Total</b> | <b>\$1,349.09</b> |
|------------------------|-------------------|

**GL Obj: 62920 Fuel**

|            |                                       |                     |         |
|------------|---------------------------------------|---------------------|---------|
| 04/06/2018 | U.S. BANK CORPORATE PAYMENT<br>SYSTEM | Valero- HM2560 fuel | \$68.98 |
|------------|---------------------------------------|---------------------|---------|

|                        |                |
|------------------------|----------------|
| <b>SubObject Total</b> | <b>\$68.98</b> |
|------------------------|----------------|

|                    |                   |
|--------------------|-------------------|
| <b>Index Total</b> | <b>\$1,456.30</b> |
|--------------------|-------------------|

|                    |                     |
|--------------------|---------------------|
| <b>Grand Total</b> | <b>\$168,895.16</b> |
|--------------------|---------------------|

**SCOTTS VALLEY FIRE PROTECTION DISTRICT**

**RESOLUTION NO. 2018-1**

**RESOLUTION REQUESTING**  
**TEMPORARY TRANSFER OF FUNDS**

WHEREAS the Scotts Valley Fire Protection District is in need of financial assistance during the period of July 1, 2018 to April 29, 2019; and

WHEREAS the Board of Supervisors of the County of Santa Cruz has, by Resolution No. 616-67, declared its approval of and intention to provide needed tax anticipation funds pursuant to Constitution Article XIII, Section 25;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Directors of the Scotts Valley Fire Protection District hereby determine and declare that:

The sum of \$2,000,000.00 is needed in anticipation of tax revenues for the operation and maintenance of said district through April 29, 2019.

Said sum of \$2,000,000.00 requested does not exceed 85% of the taxes accruing before any other obligations are met from such taxes.

The district agrees to repay this loan by April 29, 2019, together with interest at the current rate per annum received on similar types of investments by the county as determined by the County Treasurer.

The Secretary of this Board shall forward three certified copies of this Resolution to the Auditor-Controller of the County of Santa Cruz so that the request may be signed and presented to the Board of Supervisors for approval.

PASSED AND ADOPTED BY THE Board of Directors of the Scotts Valley Fire Protection District, County of Santa Cruz, State of California, this 10<sup>th</sup> day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Russ Patterson, Board President

ATTEST: \_\_\_\_\_  
Steve M. Kovacs, Board Secretary

REVIEWED AND RECOMMENDED:

\_\_\_\_\_  
Auditor-Controller

\_\_\_\_\_  
Treasurer-Tax Collector

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

DISTRIBUTED:

County Auditor

County Treasurer

County Counsel

# COUNTY OF SANTA CRUZ

## Auditor-Controller's Office Inter-Office Correspondence

To: Aptos/La Selva Fire District  
Branciforte Fire District  
Central Fire District  
Pajaro Valley Fire District  
Scotts Valley Fire District

Cc: Edith Driscoll, Auditor-Controller-Treasurer-Tax Collector  
Pam Silbaugh, General Accounting Manager

From: Cheryl McGinley, Tax Manager

Date: April 9, 2018

Subject: Resolution Authorizing Temporary Transfer of Funds (TRANS)

---

This is a reminder that your Tax Revenue Anticipation Notes (TRANS) resolutions for 2018-2019 should be prepared for the Auditor-Controller's office. We want to have the resolutions in time for the upcoming board meeting on June 26.

To allow the Auditor-Controller adequate time to prepare the transmittal to the Board of Supervisors, you must submit your district's signed resolution on or before June 1, 2017.

The effective dates for new resolutions are from July 1, 2018 to April 29, 2019. Please note that the end date is always the last Monday in April, and not the last day in April.

Government Code section 23010 allows the County treasury to make temporary loans to special districts provided that "the loan shall not exceed 85 percent of the special district's anticipated property tax revenue projected to be generated for the fiscal year..." It also says "a county may loan any of its available funds to a special district, in order to enable the district to perform its functions and meet its obligations."

We have attached an analysis for the past year and current nine months to assist you in estimating your cashflow. We used the operating fund cash balances only, and did not include funds in Capital Outlay or other miscellaneous funds, this year.

Thank you for your cooperation. We look forward to hearing from you and will be available for your assistance, if necessary.

Sincerely,

Cheryl McGinley  
Tax Manager  
Auditor-Controller-Treasurer-Tax Collector's Office  
County of Santa Cruz  
701 Ocean Street, Room 100  
Santa Cruz, CA 95060

Phone: 831-454-2658  
Fax: 831-454-2660  
[Cheryl.McGinley@santacruzcounty.us](mailto:Cheryl.McGinley@santacruzcounty.us)

Schedule of Fire Districts' Cash Balances

**Fire District G/L 101 balances**  
**7/31/2016 through 3/31/2018**

| <b>Includes cash from operating accounts.</b> | <b>Period</b>     | <b>Aptos/La Selva</b> | <b>Branchforte Fire</b> | <b>Central Fire</b> | <b>Pajaro Valley</b> | <b>Scotts Valley</b>  | <b>Total</b>        |
|---|-------------------|-----------------------|-------------------------|---------------------|----------------------|-----------------------|---------------------|
| <b>Maximum Loan Authorized for FY 2016-17</b> | <b>FY 2016-17</b> | <b>2,500,000.00</b>   | <b>350,000.00</b>       | <b>1,500,000.00</b> | <b>300,000.00</b>    | <b>2,000,000.00</b>   | <b>6,650,000.00</b> |
|   | 7/31/2016         | 2,254,358.42          | 50,922.84               | 5,609,707.50        | 482,916.53           | 339,124.09            | 8,737,029.38        |
|   | 8/31/2016         | 1,357,288.05          | (50,860.76)             | 4,511,706.46        | 455,935.49           | (324,237.16)          | 5,949,832.08        |
|   | 9/30/2016         | 818,806.50            | (102,735.27)            | 3,841,096.87        | 465,573.57           | (589,766.81)          | 4,432,974.86        |
|   | 10/31/2016        | 154,884.21            | (142,508.13)            | 1,958,936.60        | 467,851.50           | (1,086,763.85)        | 1,352,400.33        |
| <b>Most negative cash month</b>               | <b>11/30/2016</b> | <b>(372,776.63)</b>   | <b>(232,563.53)</b>     | <b>1,161,889.34</b> | <b>118,629.70</b>    | <b>(1,656,606.58)</b> | <b>(981,427.70)</b> |
|   | 12/31/2016        | 4,140,083.83          | 58,304.99               | 7,245,496.85        | 864,701.32           | 972,940.44            | 13,281,527.43       |
|   | 1/31/2017         | 3,555,407.26          | 56,006.33               | 5,269,650.99        | 867,770.15           | 588,154.07            | 10,336,988.80       |
|   | 2/28/2017         | 2,918,624.94          | 13,828.94               | 3,993,280.94        | 539,170.02           | 184,708.56            | 7,649,613.40        |
|   | 3/31/2017         | 2,172,769.05          | (30,114.34)             | 2,907,046.95        | 14,145.76            | (342,596.19)          | 4,721,251.23        |
|   | 4/30/2017         | 6,310,182.43          | 478,945.99              | 8,747,462.59        | 747,291.57           | 1,907,948.69          | 18,191,831.27       |
|   | 5/31/2017         | 5,710,379.85          | 398,939.93              | 7,487,362.87        | 739,130.63           | 1,568,684.10          | 15,904,497.38       |
|   | 6/30/2017         | 5,832,680.84          | 398,972.55              | 7,727,736.15        | 500,263.68           | 1,652,145.50          | 16,111,798.72       |
|   |                   |                       |                         |                     |                      |                       |                     |
| <b>Maximum Loan Authorized for FY 2017-18</b> | <b>FY 2017-18</b> | <b>2,500,000.00</b>   | <b>350,000.00</b>       | <b>1,500,000.00</b> | <b>300,000.00</b>    | <b>2,000,000.00</b>   | <b>6,650,000.00</b> |
|   | 7/31/2017         | 3,681,078.50          | 191,428.31              | 5,214,173.18        | 491,318.79           | 551,619.54            | 10,129,618.32       |
|   | 8/31/2017         | 2,789,301.06          | 87,128.41               | 3,832,487.66        | 462,027.23           | (111,146.96)          | 7,059,797.40        |
|   | 9/30/2017         | 1,598,288.43          | 7,476.75                | 2,962,187.19        | 440,563.24           | (590,096.33)          | 4,418,419.28        |
|   | 10/31/2017        | 1,112,819.00          | (74,971.16)             | 2,331,926.92        | 468,470.56           | (1,160,941.22)        | 2,677,304.10        |
| <b>Most negative cash month</b>               | <b>11/30/2017</b> | <b>443,089.88</b>     | <b>(34,973.33)</b>      | <b>1,529,759.06</b> | <b>460,917.87</b>    | <b>(1,517,166.87)</b> | <b>881,626.61</b>   |
|   | 12/31/2017        | 5,545,694.94          | 368,181.86              | 8,260,889.58        | 1,334,150.87         | 1,187,423.67          | 16,696,340.92       |
|   | 1/31/2018         | 4,639,124.50          | 306,506.32              | 7,259,940.17        | 1,324,022.79         | 825,375.99            | 14,354,969.77       |
|   | 2/28/2018         | 3,945,955.29          | 241,716.98              | 5,365,972.24        | 1,293,282.37         | 431,565.80            | 11,278,492.68       |
|   | 3/31/2018         | 3,353,249.08          | 222,363.40              | 4,368,331.89        | 891,621.54           | 17,559.59             | 8,853,125.50        |

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# SCOTTS VALLEY FIRE PROTECTION DISTRICT

## RESOLUTION NO. 2018-2

### RESOLUTION ACCEPTING AND ALLOCATING UNANTICIPATED REVENUE

WHEREAS, the Scotts Valley Fire Protection District is a recipient of funds from wildland fire responses which are reimbursed through the California Fire Assistance Agreement (CFAA); and

WHEREAS, the District will receive funds in the amount of \$184,369 in addition to the anticipated funds reflected in the current fiscal year budget and can be allocated per Health and Safety Code 13900; and

WHEREAS, such additional funds are unanticipated revenue and not specifically set forth in the budget;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County Auditor-Controller accepts funds in the amount of \$184,369 as follows:

| <u>Index<br/>Number</u> | <u>Revenue Subobject<br/>Number</u> | <u>Account Name</u> | <u>Amount</u> |
|-------------------------|-------------------------------------|---------------------|---------------|
| 685010                  | 40894                               | State Aid - Other   | \$184,369     |

And that such funds be and are hereby appropriated as follows:

| <u>Index<br/>Number</u> | <u>Expenditure Subobject<br/>Number</u> | <u>Account Name</u> | <u>Amount</u> |
|-------------------------|---|---------------------|---------------|
| 685010                  | 51005                                   | Overtime            | \$149,369     |
| 685010                  | 51025                                   | Callback            | \$ 35,000     |

PASSED AND ADOPTED by the Board of Directors of the Scotts Valley Fire Protection District, County of Santa Cruz, State of California, this 9th day of May 2018, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

\_\_\_\_\_  
Steve M. Kovacs  
Board Secretary

\_\_\_\_\_  
Russ Patterson  
President of the Board

*Distribution:*  
Auditor-Controller  
District

## Attachment "C"

Resolution No. 2018-3

### Resolution Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election

#### Scotts Valley Fire Protection District

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Name of City or Special District exactly as it will appear on the ballot

**WHEREAS**, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

**WHEREAS**, the resolution of the governing body of the city or district shall specify the services requested; and

**WHEREAS**, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

**WHEREAS**, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

**WHEREAS**, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

**WHEREAS**, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot, acknowledging that the consolidation election will be held and conducted in the manner prescribed in Section 10418. Upon such request, the Board of Supervisors may order the consolidation; and



**WHEREAS**, pursuant to Elections Code Section 10418, if consolidated, the consolidated election shall be held and conducted, election boards appointed, voting precincts designated, candidates nominated, ballots printed, polls opened and closed, voter challenges determined, ballots counted and returned, returns canvassed, results declared, certificates of election issued, recounts conducted, election contests presented, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the statewide or special election, or the election held pursuant to Section 1302 or 1303, as applicable.

**WHEREAS**, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

**WHEREAS**, various district, county, state and other political subdivision elections may be or have been called to be held on November 6, 2018;

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** that the governing body of the

**Scotts Valley Fire Protection District**

(Name of City/District)

hereby orders an election be called and consolidated with any and all elections also called to be held on November 6, 2018 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the Scotts Valley Fire Protection District

(Political Jurisdiction)

and requests the Board of Supervisors of the County of Santa Cruz to order such consolidation under Elections Code Sections 10401, 10403 and 10418.

**BE IT FURTHER RESOLVED AND ORDERED** that said governing body hereby requests the Board of Supervisors to permit the Santa Cruz County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

**Check the following the apply:**

☒ **BE IT FURTHER RESOLVED AND ORDERED** that the Santa Cruz County Elections Department conduct the election for the following offices on the November 6, 2018 ballot:

| Seats open      | Office   | Term      | District/Division (if app) |
|-----------------|----------|-----------|----------------------------|
| Robert Campbell | Director | 2018-2022 |                            |
| Joshua Warren   | Director | 2018-2022 |                            |
|                 |          |           |                            |
|                 |          |           |                            |

- ☐ **BE IT FURTHER RESOLVED AND ORDERED** that the Santa Cruz County Elections Department shall conduct the election for the attached MEASURE(S) to be voted on at the November 6, 2018 election. (attach 75-word ballot question)

**BE IT FURTHER RESOLVED AND ORDERED THAT** Santa Cruz County Elections Department is requested to: [Check one of the following]

- ☐ Print the attached measure text exactly as filed or indicated on the filed document in the County Voter Information Guide for the November 6, 2018 election. Cost of printing and distribution of the measure text will be paid for by the city/district.
- ☐ Do NOT print the measure text in the County Voter Information Guide. Instead, send a copy to voters upon request at the cost of said city/district.

**BE IT FURTHER RESOLVED AND ORDERED THAT** in accordance with section 9313 and 9280 of the California Elections Code, the County Counsel, District Attorney, or City Attorney is hereby directed to prepare an impartial analysis of this measure.

**PASSED AND ADOPTED** this 9th day of May, 2018 by the following vote:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

\_\_\_\_\_  
Chairperson of said Governing Board/City Council

Attested: \_\_\_\_\_  
Secretary

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## Attachment "D"

### Notice to County Clerk of Elective Offices to be Filled And Transmittal of Map and Boundaries

#### Scotts Valley Fire Protection District

Name of District/City as it will appear on the ballot

To the County Clerk of Santa Cruz County:

- (1) Notice is hereby given that the elective offices of the district/city to be elected

Check one: ☒ at large or  
☐ by division

at the General Election scheduled for November 6, 2018, are as follows:

| Office   | Incumbent's name | Term      | District/Division<br>(if app) |
|----------|------------------|-----------|-------------------------------|
| Director | Robert Campbell  | 2018-2022 |                               |
| Director | Joshua Warren    | 2018-2022 |                               |
|          |                  |           |                               |
|          |                  |           |                               |
|          |                  |           |                               |
|          |                  |           |                               |

**Special Districts:** No election will be held if there is an insufficient number of nominees.

**Cities:** If there is an insufficient number of nominees, city council will decide to fill the office by appointment by E-75 or proceed with the election. If any city measure is on the ballot, the election is held regardless.

- (2) The qualifications of a nominee of an elective officer of the district/city are as follows (i.e. a registered voter in the district/city, homeowner in district):

**Registered Voter and Resident of the Scotts Valley  
Fire Protection District.**

- (3) The Candidate's Statement of Qualifications shall be limited to

**Check one:**    ☒ 200 words  
                  ☐ 400 words (double the cost)

Candidates are permitted to file a statement to be posted online only.

Candidates are responsible for paying the cost of printing their Candidate's Statement of Qualifications in the County Voter Information Guide or posting online at the time of filing his/her statement.

**Check one:**    ☒ Yes  
                  ☐ No. The District/City will pay the cost.

Candidates for special districts pay the County Clerk. Candidates for city offices pay the City Clerk.

- (4) Tie votes for City and District elections are resolved by lot according to Elections Code §15651 and §10551. In lieu of resolving a tie vote by lot the District/City may resolve a tie vote by the conduct of a special runoff election, pursuant to §15651 (b). A special runoff election shall be held only if the legislative body adopts the provisions of this code prior to the conduct of the election. If a legislative body decides to call a special runoff election in the event of a tie vote, all future elections conducted by that body shall be resolved by the conduct of a special runoff election, unless the legislative body later repeals the authority for the conduct of a special runoff election.

To conduct a tie vote by special runoff election for this election and all future elections, check here. ☐

- (5) Date of last map change: 2006. Who should we contact from your jurisdiction to come to our office at 701 Ocean St., Room 310, in Santa Cruz, to review the map on file to confirm the district boundaries?

Name: Steve M. Kovacs Phone: 831.438.0211  
E-mail: skovacs@scottsvillefire.com



\_\_\_\_\_  
Signature (District Secretary/City Clerk)

Dated: May 9, 2018

\*\*\*\*\*

# SCOTTS VALLEY FIRE PROTECTION DISTRICT

## RESOLUTION NO. 2018-4

### RESOLUTION ESTABLISHING SCOTTS VALLEY FIRE PROTECTION DISTRICT APPROPRIATION LIMIT FOR FISCAL YEAR 2017-2018 UNDER ARTICLE XIII-B OF THE CALIFORNIA CONSTITUTION, AND ESTABLISHING PERIOD FOR CONTESTING SUCH LIMIT

WHEREAS, Article XIII-B of the California Constitution provides that the state and each local government shall be subject to an annual appropriation limit as defined in that Article; and

WHEREAS, Article XIII-B Section 8(e)(2) requires the Governing Body to select the change in Cost of Living methodology each year by recorded vote, and

WHEREAS, the change in the California per capita personal income provides the greatest result rather than using the local assessment roll from the preceding year; and

WHEREAS, the Auditor-Controller has computed the appropriations limit applicable to the District for fiscal year 2017-2018 and transmitted the same to the District in a letter dated January 4, 2018; and,

NOW, THEREFORE, BE IT RESOLVED, that the Scotts Valley Fire District selects the change in the California per capita personal and the percentage change in the population within the county area in which the special district is located methodology for use in calculating its appropriation limit for fiscal year 2017-2018; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the appropriation limit for the Scotts Valley Fire Protection District for fiscal year 2017-2018 is hereby established as \$19,756,313 and that such appropriations limit may be adjusted at a later date in accordance with Sections 3 and 11 of Article XIII-B of the California Constitution; and,

No action or proceeding shall be brought, the purpose of which is directly or indirectly to attack, review, set aside, void or annul the appropriations limit established by this resolution unless such action or proceeding shall have been filed and served on the district within forty-five (45) days from the date this resolution is adopted in accordance with Division 9 of the Government Code.

PASSED AND ADOPTED by the District Directors of the Scotts Valley Fire Protection District at a regular meeting held on the 9<sup>th</sup> day of May 2018, by the following called vote:

AYE      NAY      ABSENT      ABSTAIN

Director Robert Campbell  
Director Russ Patterson  
Director Daron Pisciotta  
Director Alan L. Smith  
Director Joshua Warren

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve M. Kovacs  
Board Secretary

\_\_\_\_\_  
Russ Patterson  
President of the Board



# COUNTY OF SANTA CRUZ

---

EDITH DRISCOLL  
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR  
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073  
(831) 454-2500 FAX (831) 454-2660

Laura Bowers, Chief Deputy Auditor-Controller  
Pam Silbaugh, General Accounting Manager  
Marianne Ellis, Property Tax Accounting Manager  
David Zweig, Treasury-Tax Collector Manager

January 4, 2018

Dear Special District Board of Directors:

RE: Fiscal Year 2017-18 APPROPRIATION LIMITATION

In accordance with Section 7900 of the Government Code of the State of California, you must adopt an appropriation limit by resolution each fiscal year.

We have made the required calculations and prepared a sample resolution for use by the District, both of which are attached hereto. The limit presented was prepared per Government Code 7901(b). Each special district shall select its change in population and change in non-residential growth or change in per capita income annually by a recorded vote of the governing body of the special district as outlined in the attached resolution.

Adjustments for the Fair Labor Standards Act (FLSA) and qualified capital outlay projects may be exempt from the appropriation limit.

**After adopting the Districts' appropriation limit, please provide a copy of the resolution for our files.**

Very truly yours,

EDITH DRISCOLL  
Auditor-Controller-Treasurer-Tax Collector

by George Springer, Accountant

Attachment

SCOTTS VALLEY FIRE PROTECTION DISTRICT  
OFFICE OF AUDITOR-CONTROLLER  
CALCULATION OF APPROPRIATIONS SUBJECT TO LIMITATION  
2017-2018

|   |                            |
|---|----------------------------|
| Total Appropriations                            | \$ 7,470,215               |
| Adjustments                                     |                            |
| Expenditure Appropriations:                     |                            |
| 1. Qualified Capital Outlay Project             | 0                          |
| 2. FLSA   | <u>(24,615)</u>            |
| Adjusted Appropriations                         | \$ <u>7,445,600</u>        |
| Revenue Appropriations:                         |                            |
| 1. Non-proceeds of taxes                        | (552,475)                  |
| 2. User fees in excess of cost                  | 0                          |
| 3. Debt Service                                 | <u>0</u>                   |
| Appropriations Subject to Limit                 | \$ <u><u>6,893,125</u></u> |
| Calculation of 2017-2018 Limit:                 |                            |
| 2016-2017 Appropriations Limit                  | \$ 18,922,722              |
| Change In Local Assessment Roll/Personal Income | 104.01%                    |
| % Change in County population                   | <u>100.38%</u>             |
| Total Change Factor                             | <u>104.4052%</u>           |
| 2017-2018 Appropriations Limitation             | \$ <u>19,756,313</u>       |
| Amount Under Appropriations Limitation          | \$ <u>(12,863,188)</u>     |
| Excess Appropriations subject to Limitation     | \$ <u><u>0</u></u>         |

**INTERGOVERNMENTAL AGREEMENT  
FOR MOTOR VEHICLE REPAIRS**

THIS AGREEMENT is made by and between Central Fire Protection District OF Santa Cruz County ("Central"), a California Special Fire Protection District, and Scotts Valley Fire Protection District ("Owner"), a duly formed governmental entity under the laws of the State of California.

Central has vehicle repair facilities located at 410 Kennedy Drive, Capitola, California ("Service Facility"), and is willing and able to provide motor vehicle maintenance and repair services to other governmental agencies. Owner has need of motor vehicle maintenance and repair services on its vehicles and wishes to engage in Central's services.

IN CONSIDERATION of the mutual promises, performances, payments, and other things of value given, these Parties agree to the following:

1. Commencing on May 9, 2018, Central shall mutually agree to provide Owner the following services to Owner's motor vehicles, as requested by Owner, at or out of the Service Facility:
  - a) Perform in-shop repairs of motor, drive train, pump, minor body work, etc., which in the opinion of Central's Fleet Service Staff may be completed cost effectively at the Service Facility, subject to consultation with and prior consent of Owner's Representative;
  - b) Prepare and provide to Owner, estimates of the total cost of repairs; such estimation may be communicated orally to the Owner's Representative and such oral communication (date, time, manner of consent, telephone number called, and the name of the person giving consent) shall be noted on the invoice. If repairs are expected to exceed \$3000.00 then Central shall prepare and provide to Owner written estimates of the total cost of repairs.
  - c) Coordinate and perform preventative maintenance;
  - d) Obtain parts necessary for repairs and maintenance;
  - e) Arrange for and coordinate repairs through third-party facilities, subject to consultation with and prior consent of Owner's Representative;
  - f) Inspect and verify repairs performed by third-party facilities;
  - g) Provide to Owner after-hours repair response for out-of-service vehicles and, if necessary, arrange for towing services;
  - h) Prepare and provide to Owner work orders with description of work performed and parts provided;
  - i) Prepare and provide to Owner a monthly invoice for services and parts provided;
  - j) Prepare and provide to Owner quarterly reports, for each vehicle, of repairs and maintenance performed, status of preventative maintenance, pending mechanical problems, and down time for repair and maintenance.
  - k) This agreement applies to fire apparatus.
2. In addition, upon specific request, Central shall provide to Owner the following optional services:
  - a) Conduct annual aerial testing per the applicable NFPA Standard;
  - b) Conduct annual apparatus fire pump service tests per the applicable NFPA Standard ;
  - c) Provide consultation services for specification of new or refurbished equipment for an apparatus;
  - d) Provide annual CARB Diesel Emissions certification inspections.



3. Owner shall fulfill the following responsibilities:
- a) Designate in writing, its Representative, through whom all communications between Central and the Owner, concerning vehicle maintenance and repair, shall be directed, and who will have Owner's authority to consent orally or in writing to repairs, as provided in this Agreement;
  - b) Shall arrange for necessary personnel and deliver vehicles to Central for service and repair at scheduled times;
  - c) Pay invoices, upon receipt, according to the attached schedule of charges (Appendix A).
  - d) Owner acknowledges responsibility for payment for all services rendered under this Agreement. Owner shall be responsible for payment of any warranty services rendered hereunder.
  - e) In the event Owner fails to pay an invoice within thirty (30) days of its date, then Owner shall pay interest on the unpaid balance at the rate of 18 per cent per annum from the date of invoice. In the event Owner fails to pay an invoice within (60) days of its date, then Central may, at its option, terminate this agreement without further notice, and/or file an action in the Santa Cruz County Courts for collection of same, together with all costs and attorney fees incurred.
4. This agreement may be terminated by either Party upon 90 days prior written notice of intent to terminate. Central's obligations to complete any service in progress and the Owner's obligations to provide written consents to such service and pay for any services provided or commenced prior to the effective date of termination shall survive termination.
5. As a precondition to bringing any action in a court of law for enforcement of this Agreement, all issues of dispute must first be presented to the Management Review Group for resolution; the membership of said Group shall consist of the chief executive officers or their delegates, one from each governmental entity which has entered into this Agreement for Motor Vehicle Repairs with Central, and Central's Fire Chief or his delegate; by consensus, the Group will seek resolution of the issue, within 10 working days of either party submitting written notice of dispute; but such resolution shall not be binding upon any Party to this Agreement, unless set forth in a written agreement, signed by the affected Parties; after such resolution process has attained a resolution or 10 days have expired, whichever first occurs, any Party may take the disputed issue to a court of law. Notwithstanding any provision to the contrary, either Party may seek emergency equitable relief in a proper case.
6. Owner shall have the option to seek alternative repair estimates and services, but will be liable for any shop charges related to Owner's vehicle occupying Central's service space during the time Owner is soliciting alternative bids and service.
7. Owner shall be solely responsible for the actions of its agents, employees or invitees while on District's premises, and, to, the extent allowed by law, shall hold Central harmless from and indemnify Central from any liability for theft of or damage to Owner's equipment or apparatus, except as caused by Central's agents and employees, and for injury to persons caused by Owner's agents, employees, or invitees. Owner shall also be liable to Central for any damage to District property which occurs during use and possession by Owner, its agents, employees, or invitees. Central shall store Owner's vehicles within area appurtenant to Central's maintenance facility, which area is accessible through a public access during normal business hours.
8. Central shall be solely responsible for the actions of its agents, employees, or invitees while performing services under this Agreement, and shall hold Owner harmless from and, to the extent permitted by law, indemnify Owner from any liability for theft or damage to Central's equipment, vehicles, or apparatus, except as caused by Central's agents, employees, or invitees. Central shall be liable to Owner for any damage to Owner's vehicles which occurs during service, use or possession by Central, which is caused by Central's agents, employees, or invitees.
9. This agreement is the entire agreement of the parties and may not be amended except by a written document referencing this Agreement and signed by both Parties. All prior discussions, representations, and understandings of the Parties pertaining to this subject matter are hereby merged into this agreement.

10. These Parties represent that the individuals signing this Agreement on behalf of the Parties are fully authorized by their respective governing bodies, in compliance with the laws of the State of California, to enter into this Agreement.
11. This Agreement shall not be assigned by Central without the prior written consent of Owner.
12. This Agreement shall be governed by the law of the State of California.
13. Central shall, at its own expense, keep in full force and effect during the term of this Agreement, Statutory Worker's Compensation Insurance.
14. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Owner and Central, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of Owner and Central that any person other than Owner or Central receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.
15. This agreement shall be reviewed to evaluate and assess changes or updates within the fiscal period on an annual basis by representatives of Central and Owner at a date and time mutually agreed upon by both parties.

**CENTRAL FIRE PROTECTION DISTRICT**

\_\_\_\_\_  
*Fire Chief* Date: \_\_\_\_\_

**OWNER**

\_\_\_\_\_  
*Board/Council Chair* Date: \_\_\_\_\_  
\_\_\_\_\_  
*Fire Chief* Date: \_\_\_\_\_

## Appendix A

### Mechanic Fleet Service Rates Effective July 1, 2018

#### Charges / Rates:

##### ***Preventative Maintenance Service (Refer to Appendix B & C for list of services)***

|  |                             |
|--|-----------------------------|
| Rescue.....                                      | \$375.00* + parts + EPA     |
| Engine.....                                      | \$500.00* + parts + EPA     |
| Aerial.....                                      | \$750.00* + parts + EPA     |
| 90 Day Inspection.....                           | \$121.00* + parts + EPA     |
| Small Utility.....                               | \$105.00* + parts + EPA     |
| Labor Rate for repairs beyond service.....       | \$121/hr *                  |
| Labor Rate for Administrative / Office Fees..... | \$50.00/hr*                 |
| Labor Rate (after normal work hours).....        | \$149.00/hr*                |
| EPA Charge (each service / major repair).....    | \$43.75                     |
| Parts.....                                       | Parts                       |
| Operating Expense / Shop Supplies.....           | 20% of total labor charges* |

#### **Road Service Charges:**

|  |                    |
|--|--------------------|
| During Work Hours.....                                     | \$121/hr* + Travel |
| After Work Hours (2 hour minimum).....                     | \$149.00/hr*       |
| Holiday Hours (2 hour minimum).....                        | \$242.00/hr*       |
| Travel Charge- No charge for first 25 miles. Over 25 miles | \$1.50 / mile      |

#### **Annual Testing Charges:**

|   |                   |
|---|-------------------|
| Engine Fire Pump Service Testing.....         | \$389.00*         |
| Annual NFPA 1914 Aerial Testing.....          | \$499.00*         |
| Annual CARB Diesel Emissions Testing.....     | \$121.00*         |
| DPF (Diesel Particulate Filter) Cleaning..... | \$375.00* + labor |

#### **Note:**

1. No charge on returns due to warranty parts failure or additional services performed for the same or related problem within a reasonable time.
2. Repairs by third party agencies may be billed directly to the Owner. Coordination and review after repairs will be charged at the standard shop charge.
3. Owner's specialty tools may be 'loaned' to Central Fire for use on specialized apparatus repairs. Tools will be used, maintained, and/or replaced by Central Fire. Specialty tools will remain Owner's property and shall be returned in the event that the contract should be terminated.
4. Work performed on an overtime/holiday basis must be by prior agreement of both parties.

***\* Rates shall be increased annually on July 1<sup>st</sup> by 3.5% for fiscal years 2019 & 2020.***

## **APPENDIX B**

Preventative maintenance, testing and repairs shall be performed on all fire apparatus to NFPA 1901, 1906, 1911, 1912, 1914 & 1915 standards in effect at the time of the apparatus construction.

## **APPENDIX C**

### **Preventative Maintenance Checklist for Fire Apparatus**

#### **CAB**

Check operation of instruments, indicator lamps, dash lights, hour meter, and engine warning systems  
Check headlamps, tail lights, brake signal, hazard, and clearance lights  
Check spot lights, warning lights, cargo lights and warning lights  
Check operation of horns, sirens, windshield wipers, washer, heater, defroster, seats and seatbelts  
Check air system build up time, governor operation and low pressure warning system  
Check throttle and PTO operation  
Check two-speed rear axle operation  
Check steering wheel for excessive play  
Check glass and mirrors  
Check clutch free travel and adjust and lube hinge points as required

#### **POWER TRAIN**

Change engine oil and filter, lubricate chassis  
Pressure test cooling system, radiator cap, and check thermostat operation  
Check coolant level, radiator hoses, heater hoses, and connections for damage or leaks  
Change coolant filter  
Test antifreeze to -40 F and check coolant conditioner  
Check all drive belts for condition—adjust as required  
Check/clean battery cables  
Load test battery, perform starter and charging system test  
Check battery box, mount and hold down brackets  
Change fuel system filters  
Fuel system—check tank, lines and connections for chafing or leaks  
Check air cleaner indicator operation—If restriction is high, reset and test under full load. Replace element as required  
Check engine performance  
Check exhaust system, engine, and radiator supports  
Change internal and external automatic transmission filters and fluid  
Check oil level in transmission, differential, pump transfer case, and clean air breather—check for leaks  
Check turbo for noise, vibration, and leaks  
Check drive shaft, U-joints, center bearing, yokes for looseness or wear  
Check fire pump and relief valve / pressure governor operation

#### **SUSPENSION**

Check steering box, spindle, and retainer bolts for looseness  
Check oil level in power steering system  
Repack front wheel bearings if needed  
Check kingpins, tie rod ends, and shocks for looseness and leaks  
Check front and rear springs, U-bolts, hangers, and shackles for looseness and cracks

#### **BRAKES**

Inspect air brake system, hoses, and tubing for leaks and chafing—check air brake chambers for leaks and damage  
Service air dryer  
Check air dryer operation and drain water from air tanks  
Check brake adjustment and parking brake operation—check slack adjusters for operations  
Hydraulic brakes—check master cylinder fluid level, tubing and connections for leaks

#### **TIRES AND WHEELS**

Inspect tire condition and air pressure  
Inspect axle and wheel nuts for looseness

#### **SERVICE BODY**

Check body for damage; lubricate locks, latches, and hinges as needed

#### **POWER TRAIN**

Change engine oil and filter, lubricate chassis  
Pressure test cooling system, radiator cap, and check thermostat operation

Revised 3/13/2018

## **APPENDIX C (continued)**

### **Preventative Maintenance Checklist for Fire Apparatus**

#### **POWER TRAIN (cont.)**

Check coolant level, radiator hoses, heater hoses, and connections for damage or leaks  
Change coolant filter  
Test antifreeze to -40 F and check coolant conditioner  
Check all drive belts for condition—adjust as required  
Check/clean battery cables  
Load test battery, perform starter and charging system test  
Check battery box, mount and hold down brackets  
Change fuel system filters  
Fuel system—check tank, lines and connections for chafing or leaks  
Check air cleaner indicator operation—if restriction is high, reset and test under full load. Replace element as required  
Check engine performance  
Check exhaust system, engine, and radiator supports  
Change internal and external automatic transmission filters and fluid  
Check oil level in transmission, differential, pump transfer case, and clean air breather—check for leaks  
Check turbo for noise, vibration, and leaks  
Check drive shaft, U-joints, center bearing, yokes for looseness or wear  
Check fire pump and relief valve / pressure governor operation

#### **SUSPENSION**

Check steering box, spindle, and retainer bolts for looseness  
Check oil level in power steering system  
Repack front wheel bearings if needed  
Check kingpins, tie rod ends, and shocks for looseness and leaks  
Check front and rear springs, U-bolts, hangers, and shackles for looseness and cracks

#### **BRAKES**

Inspect air brake system, hoses, and tubing for leaks and chafing—check air brake chambers for leaks and damage  
Service air dryer  
Check air dryer operation and drain water from air tanks  
Check brake adjustment and parking brake operation—check slack adjusters for operations  
Hydraulic brakes—check master cylinder fluid level, tubing and connections for leaks  
**APPENDIX C (continued)**

#### **AERIAL DEVICE**

Check aerial device operation  
Check all electrical and accessory items equipped on aerial device  
Inspect aerial device, cables, hydraulic system and water delivery system  
Change hydraulic system filters  
Lubricate aerial device and components

#### **TIRES AND WHEELS**

Inspect tire condition and air pressure  
Inspect axle and wheel nuts for looseness

#### **SERVICE BODY**

Check body for damage; lubricate locks, latches, and hinges as needed

**Scotts Valley Fire Protection District**

**FINANCIAL STATEMENTS**

**AUDIT REPORT**

**June 30, 2017**



December 20, 2017

Scotts Valley Fire Protection District

Scotts Valley, CA

**INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of Scotts Valley Fire Protection District as of and for the year-ended June 30, 2017, 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 of material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion 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 applicable to financial audits contained in Governmental 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 of 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 our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Scotts Valley Fire Protection District as of June 30, 2016 and June 30, 2017, and the respective changes in financial position, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and Budget VS. Actual comparison 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 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 principally of inquiries of management regarding 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 assurances on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

Pehling & Pehling, CPA's  
An Accountancy Corporation

**Scotts Valley Fire Protection District**

**Audit Report  
June 30, 2017**

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# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

**Steve M. Kovacs**  
**Fire Chief**

December 20, 2017

The Scotts Valley Fire Protection District provides fire protection services to a twenty-two and one-half square mile area of Santa Cruz County from the Santa Cruz city limits to Laurel Curve and from Henry Cowell State Park to Glen Canyon/Vine Hill Roads and includes all of the City of Scotts Valley. The population of the District is approximately eighteen thousand six hundred, including about eleven thousand within the city limits. The District is a separate government body, not part of the City of Scotts Valley, known as a California Special District and is governed by an elected board of five citizens. This section of the District's financial report presents our discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2017.

## **Description of the Basic Financial Statements**

The financial statements consist of the following parts: Management's discussion and analysis; the basic financial statements consisting of government-wide financial statements, and fund financial statements (governmental and fiduciary); notes to the financial statements; and required supplementary information.

The basic government-wide and fund financial statements present the financial results on different methods of accounting. Included in the financial statements are reconciliations that explain the difference between the two methods.

Government-wide financial statements are prepared on the modified accrual basis of accounting and economic resources focus. The required financial statements are: Statement of Net Position (Statement A) and Statement of Activities. The Statement of Net Position reports all assets and liabilities, both financial and capital, and short-term and long-term, of the District. The Statement of Activities reports all revenue and expenses during the year, regardless of when cash was received or paid.

Governmental Funds financial statements are prepared on the modified accrual basis of accounting and current financial resources focus. This is the traditional form for our financial statements. The required financial statements are Balance Sheet, and Statement of Revenues, Expenditures, and Changes in Fund Balances. The Balance Sheet shows only assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports revenue 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 or soon after the end of the year.

## **Board of Directors**

Daron Pisciotta   Robert Campbell   Alan Smith   Russ Patterson   Joshua Warren

Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Position explains the differences between the two balance sheets. Reconciliation of the Statement Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities traces the change in fund balances to the change in net position.

Governmental Fiduciary financial statements for the Hazardous Materials Interagency Team are prepared on the accrual basis of accounting and economic resources focus. The required financial statements are: Statement of Fiduciary Net Position and Statement of Activities and Changes in Fiduciary Net Position. The Statement of Net Position reports all assets and liabilities, both financial and capital, and short-term and long-term of the fund. The Statement of Activities reports all revenue and expenses of the fund during the year, regardless of when the cash is received or paid.

The Government-Wide and Governmental Funds financial statements show the results of the following funds:

**General Fund** - This fund is used to finance the operations of the District. Tax revenues are placed in the General Fund and regular operating expenses are charged here. Funds to be used for capital equipment, buildings and projects are transferred from the General Fund to the Capital Outlay Fund.

**Zone A** - A legally formed zone of benefits established in 1969 that receives revenues and makes expenditures designated for capital projects that benefit a specific zone in the southern portion of the District. Zone A's Board of Directors is the same as the board of Directors of the Fire District.

**Capital Outlay Fund** - Used to separate funds for capital equipment, building and projects. All capital expenditures are taken from this fund. Funds in this account come from revenue transferred from the General Fund to be used for capital improvements, the sale of existing assets (such as land), grants, and interest received on the balance of the fund.

The fiduciary fund financial statements show the results of the following:

**Santa Cruz Hazardous Materials Interagency Team (SCHMIT)** - The District reports the resources held and administered by the District in acting in a fiduciary capacity for other agencies involved in the Team. Operational funding is received through a memorandum of understanding with Santa Cruz County, UCSC, City of Scotts Valley, City of Capitola, City of Santa Cruz, City of Watsonville, and the California State Parks. Additional funding had been received from grants.

### **Financial Analysis of the District as a Whole**

**Net Position** - The District's net change in net position was \$1,663,041 for the fiscal year ended June 30, 2017. The adoption of GASB 68 put the district in a negative net position with further negative net position from the adoption of GASB 74/75. The negative net position will not adversely effect the District as the positive fund balance will allow the district to continue to offer services to the public. Approximately 54 percent of the \$6,596,278 in assets, \$3,590,226 are invested in capital assets (net of accumulated depreciation and related debt).

### **Financial Analysis of the District's Funds**

Governmental fund balances increased by \$601,505. The main reason for the difference between the \$1,663,041 increase in District net position and the \$601,505 increase in fund balances is timing differences in accounting for expenditures, principal payments made on long-term liabilities, and the difference in accounting for fixed asset purchases and depreciation.

### **Budgetary Highlights**

General Fund revenue was 4.3% better than the budgeted \$286,225, with tax revenue 3.9% better, at \$242,019.

Salaries and benefits were \$164,184 (2.9%) under budget. Services and supplies were \$112,207 (26%) under budget. This was due to small differences both favorable and unfavorable between budgeted and actual expenditures in the thirty separate accounts that make up this category.

Total General Fund expenditures were \$344,777 (6%) less than the amount budgeted, including contingency appropriation, which did not need to be used during the year.

Capital expenditures were under budget by \$41,307.

### **Capital Assets**

As of June 30, 2017, the District had invested \$6,571,428 in a broad range of capital assets including land, structures and improvements, equipment, and construction in progress.

### **Long-Term Liabilities**

At June 30, 2017 the District had \$13,075,593 in long-term liabilities which consists of postemployment benefits obligation and the loan obtained for the payment of the CalPERS Side Fund Liability and the Net Pension Liability. The other postemployment benefits obligation is a result of the implementation of GASB 74/75. Detailed information can be found in Note 8 to the financial statements.

During the year ended June 30, 2011, the District paid off the CalPERS Side Fund Liability and obtained funding for the payment from Santa Cruz County Bank. The outstanding loan balance was \$2,168,103 as of June 30, 2017.

### **Economic Factors and Next Year's Budget**

The District's main source of revenue is property tax. Estimates from the Santa Cruz County Auditor project a 3.5% growth in the secured property tax (real estate). The District has budgeted the 3.5% growth in the property tax elements for the General Fund and Zone A. Other non-tax elements of revenue are projected using past trends. There is potential for variances due to re-assessments of real property values and new construction within the Fire District.

Total budgeted General Fund expenditures for fiscal year 2017/2018, is \$7,060,702. Salaries and Benefits budget includes a 4%. All authorized positions are funded this year. The District's contribution to the CalPERS retirement program is 17.875% of payroll plus an annual Unfunded Accrued Liability payment of \$390,957 for the Safety plan and 8.92% of payroll plus an annual Unfunded Accrued Liability payment of \$9,824 for the Miscellaneous

Employee plan. Safety members contribute an additional 9% of salary to CalPERS for retirement and the miscellaneous members contribute 7% of salary.

The employer rate for new CalPERS safety employees hired after January 1, 2013, is 11.990% of payroll and non-safety employees are 6.533% of payroll.

This represents a budgeted amount of \$931,000, payable to CalPERS and a loan payment for the side fund of \$324,236, for a total of \$1,255,236 in retirement liability, which represents an \$86,987, increase over 2016/2017.

Health insurance is budgeted for an increase effective January 1, 2017. Retiree health insurance is budgeted at \$87,019, an increase of \$7,612 over last year.

Workers compensation insurance is \$162,077, an increase of \$1,167 over last year.

The Services and Supplies budget is \$633,500, an increase of \$36,850 from the adopted preliminary budget.

The Contributions to Other Agencies are for the District's share of the LAFCO budget at \$8,389, an increase of \$1,218 over last year.

Fixed Assets of \$62,500, include station upgrades, computer replacements, equipment for the new engine, emergency equipment and appliance replacements as needed.

A \$200,000 transfer to the Capital Outlay is budgeted and \$50,000 for Contingencies.

The beginning Zone A fund balance is \$990,997. Besides auditing and accounting costs, \$10,000 is budgeted for professional services.

The beginning Capital Outlay fund balance is \$362,809. Revenue consists of a \$200,000, transfer from the General Fund and \$500, in interest.

\$525,000, is budgeted for fleet replacement, \$50,000, for future capital outlay expenses and \$3,309, for contingencies.

The beginning fund balance for the Santa Cruz Hazardous Materials Interagency Team (SCHMIT) is \$47,562. Services and supplies are to support the operating costs of the team in the amount of \$53,400, which includes a \$4,500, charge for management of the program. Personnel costs include \$20,000 for reimbursement to response agencies in the event of an activation and \$112,500, for differential costs for the response agencies, which accounts for 27 total members.

### **Contacting the Districts Financial Management**

This financial statement is designed to provide a general overview of the District's finances. If you have questions about these financial statements or need additional financial information, contact the District's office at 7 Erba Lane, Scotts Valley, California 95066. Financial statements from previous fiscal years may be found on the District's website at [www.scottsvalleyfire.com](http://www.scottsvalleyfire.com).

**GOVERNMENT FUNDS FINANCIAL STATEMENTS**

**Scotts Valley Fire Protection District**

**Balance Sheet  
June 30, 2017**

|  | <u>General Fund</u>        | <u>Zone A</u>            | <u>Capital</u>           |
|--|----------------------------|--------------------------|--------------------------|
| <b><u>ASSETS</u></b>                                   |                            |                          |                          |
| <b><u>Assets:</u></b>                                  |                            |                          |                          |
| Cash   | \$ 1,652,246               | \$ 990,997               | \$ 362,809               |
| Accounts Receivable                                    | -                          | -                        | -                        |
| Deposits & Prepaid Expenses                            | -                          | -                        | -                        |
|  | <hr/>                      | <hr/>                    | <hr/>                    |
| TOTAL ASSETS   | <u>1,652,246</u>           | <u>990,997</u>           | <u>362,809</u>           |
|  |                            |                          |                          |
| <b><u>LIABILITIES &amp; FUND BALANCES</u></b>          |                            |                          |                          |
| <b><u>Liabilities:</u></b>                             |                            |                          |                          |
| Accounts Payable                                       | 261                        | -                        | -                        |
| Accrued Payroll  | 157,390                    | -                        | -                        |
|  | <hr/>                      | <hr/>                    | <hr/>                    |
| TOTAL LIABILITIES                                      | <u>157,651</u>             | <u>-</u>                 | <u>-</u>                 |
|  |                            |                          |                          |
| <b><u>Fund Balances:</u></b>                           |                            |                          |                          |
| Unassigned   | 1,294,495                  | -                        | -                        |
| Unspendable  | 100                        | -                        | -                        |
| Committed  | 200,000                    | 990,997                  | 362,809                  |
|  | <hr/>                      | <hr/>                    | <hr/>                    |
| Total Fund Balance                                     | <u>1,494,595</u>           | <u>990,997</u>           | <u>362,809</u>           |
|  |                            |                          |                          |
| <b><u>TOTAL LIABILITIES &amp;<br/>FUND BALANCE</u></b> | <u><u>\$ 1,652,246</u></u> | <u><u>\$ 990,997</u></u> | <u><u>\$ 362,809</u></u> |

The accompanying notes are an integral part of these financial statements



## Scotts Valley Fire Protection District

### Statement of Revenues, Expenditures & Change in Fund Balance For the Year Ended June 30, 2017

| <u>REVENUE</u>                                     | <u>General Fund</u> | <u>Zone A</u>     | <u>Capital</u>    |
|--|---------------------|-------------------|-------------------|
| Tax Revenue  | \$ 6,386,074        | \$ 105,394        | \$ -              |
| Charges for Service                                | 500,689             | -                 | -                 |
| Interest & Investment Earnings                     | 3,200               | 7,902             | 1,815             |
| License & Permits                                  | 81,507              | -                 | -                 |
| Grants & Contributions                             | -                   | -                 | -                 |
| Miscellaneous                                      | 11,655              | -                 | 3,469             |
| <b>TOTAL REVENUE</b>                               | <b>6,983,125</b>    | <b>113,296</b>    | <b>5,284</b>      |
| <u>EXPENDITURES</u>                                |                     |                   |                   |
| Capital Assets                                     | 17,913              | -                 | 37,839            |
| Debt Service:                                      |                     |                   |                   |
| Principle  | 193,492             | -                 | -                 |
| Interest   | 130,744             | -                 | -                 |
| Professional Fees                                  | 107,105             | 1,545             | -                 |
| Salaries and Employee Benefits                     | 5,559,176           | -                 | -                 |
| Repairs and Maintenance                            | 120,724             | -                 | -                 |
| Insurance  | 25,968              | -                 | -                 |
| Services, Supplies and Refunds                     | 305,694             | -                 | -                 |
| <b>TOTAL EXPENDITURES</b>                          | <b>6,460,816</b>    | <b>1,545</b>      | <b>37,839</b>     |
| <b>Excess (Deficit) Revenues over Expenditures</b> | <b>522,309</b>      | <b>111,751</b>    | <b>(32,555)</b>   |
| <b>Transfer In/(Out)</b>                           | <b>(200,000)</b>    | <b>-</b>          | <b>200,000</b>    |
| <b>CHANGE IN FUND BALANCE</b>                      | <b>322,309</b>      | <b>111,751</b>    | <b>167,445</b>    |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>             | <b>1,172,286</b>    | <b>879,246</b>    | <b>195,364</b>    |
| <b>FUND BALANCE, END OF YEAR</b>                   | <b>\$ 1,494,595</b> | <b>\$ 990,997</b> | <b>\$ 362,809</b> |

The accompanying notes are an integral part of these financial statements

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Scotts Valley Fire Protection District**

**Statement of Net Position  
June 30, 2017**

| <b><u>ASSETS</u></b>                          | <b><u>2017</u></b>           |
|---|------------------------------|
| <b><u>Current Assets:</u></b>                 |                              |
| Cash  | \$ 3,006,052                 |
| Accounts Receivable                           | -                            |
| Deposits & Prepaid Expenses                   | -                            |
| <b>Total Current Assets</b>                   | <b><u>3,006,052</u></b>      |
| <b><u>Capital Assets:</u></b>                 |                              |
| Land  | 820,843                      |
| Buildings & Improvements                      | 2,052,641                    |
| Firefighting Equipment                        | 3,402,681                    |
| Construction in Progress                      | 295,263                      |
| Less: Accumulated Depreciation                | (2,981,202)                  |
| <b>Total Capital Assets</b>                   | <b><u>3,590,226</u></b>      |
| <b>TOTAL ASSETS</b>                           | <b><u>6,596,278</u></b>      |
| <b><u>DEFERRED OUTFLOW</u></b>                |                              |
| GASB 68 Pension                               | 2,363,858                    |
| <b>TOTAL DEFERRED OUTFLOW</b>                 | <b><u>2,363,858</u></b>      |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>     | <b><u>8,960,136</u></b>      |
| <b><u>LIABILITIES</u></b>                     |                              |
| <b><u>Current Liabilities:</u></b>            |                              |
| Accounts Payable                              | 261                          |
| Accrued Payroll Liabilities                   | 157,390                      |
| Current Portion                               | 175,373                      |
| Accrued Compensated Absences                  | 218,157                      |
| <b>Total Current Liabilities</b>              | <b><u>551,181</u></b>        |
| <b><u>Long-term Liabilities:</u></b>          |                              |
| OPEB  | 2,184,018                    |
| Note Payable                                  | 1,992,730                    |
| Net Pension Liability                         | 8,723,472                    |
| <b>Total Long-term Liabilities</b>            | <b><u>12,900,220</u></b>     |
| <b>TOTAL LIABILITIES</b>                      | <b><u>13,451,401</u></b>     |
| <b><u>DEFERRED INFLOWS</u></b>                |                              |
| GASB 68 Pension                               | 560,709                      |
| <b>TOTAL DEFERRED INFLOWS</b>                 | <b><u>560,709</u></b>        |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b> | <b><u>14,012,110</u></b>     |
| <b><u>NET POSITION</u></b>                    |                              |
| Net Investment in Capital Assets              | 3,590,226                    |
| Unrestricted                                  | (8,642,200)                  |
| <b>TOTAL NET POSITION</b>                     | <b><u>\$ (5,051,974)</u></b> |

The accompanying notes are an integral part of these financial statements

**SCOTTS VALLEY FIRE PROTECTION DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

**June 30, 2017**

---

|   | <u>June 30, 2017</u>  |
|---|-----------------------|
| Total Fund Balances - Governmental Funds  | \$ 2,848,401          |
| Capital Assets used in Governmental Funds are not financial resources and therefore are not reported as assets in the Governmental Funds.   |                       |
| Total Historical Cost of Capital Assets   | 6,571,428             |
| Less: Accumulated Depreciation  | (2,981,202)           |
| Compensated Absences are reported in the Government-Wide Statement of Net Assets, but they do not require the use of current financial resources. Therefore, the liability is not reported in Governmental Funds.     | (218,157)             |
| Deferred Outflows not due and receivable in the current period and therefore are not reported as an asset in the governmental funds. This is comprised of GASB 68 Pension Outflows. Deferred Outflows at June 30 was: | 2,363,858             |
| Deferred Inflows are not due in the current period and therefore, are not reported as liabilities in the governmental funds. This is comprised of GASB 68 Pension Inflows. Deferred Inflows at June 30 was:           | (560,709)             |
| Long-term liabilities are not due in the current period and therefore, are not reported as liabilities in the governmental funds.   | <u>(13,075,593)</u>   |
| Net Position  | <u>\$ (5,051,974)</u> |

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The accompanying notes are an integral part of these financial statements

**Scotts Valley Fire Protection District**  
**Statement of Activities**  
**For the Year-Ended**  
**June 30, 2017**

| 2017                                     |              |                           |                             |                                  |
|--|--------------|---------------------------|-----------------------------|----------------------------------|
|  |              | <u>Operating Revenues</u> |                             |                                  |
|  | Expenses     | Charges for<br>Services   | Grants and<br>Contributions | Excess of<br>Revenues/(Expenses) |
| <b><u>Governmental Activities</u></b>    |              |                           |                             |                                  |
| Public Protection                        | \$ 5,225,702 | \$ 500,689                | \$ -                        | \$ (4,725,013)                   |
| Depreciation (Unallocated)               | 212,962      | -                         | -                           | (212,962)                        |
| <b>Total Governmental Activities</b>     |              |                           |                             | <u>(4,937,975)</u>               |
| <b>General Revenues:</b>                 |              |                           |                             |                                  |
| Tax Revenue                              |              |                           |                             | 6,491,464                        |
| Interest & Investment Earnings           |              |                           |                             | 12,916                           |
| License, Permits & Rents                 |              |                           |                             | 81,507                           |
| Miscellaneous                            |              |                           |                             | 15,129                           |
| <b>Total General Revenues</b>            |              |                           |                             | <u>6,601,016</u>                 |
| <b>NET CHANGE IN NET POSITION</b>        |              |                           |                             | <u>1,663,041</u>                 |
| <b>NET POSITION, BEGINNING OF YEAR</b>   |              |                           |                             | <u>(5,304,409)</u>               |
| <b>Prior-Period Adjustment (Note 11)</b> |              |                           |                             | <u>(1,410,606)</u>               |
| <b>NET POSITION, END OF YEAR</b>         |              |                           |                             | <u>\$ (5,051,974)</u>            |

The accompanying notes are an integral part of these financial statements

**SCOTT'S VALLEY FIRE PROTECTION DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

June 30, 2017

|   | <u>June 30, 2017</u>       |
|---|----------------------------|
| Net Change in Fund Balances - Total Governmental Funds  | <u>601,505</u>             |
| Amounts reported for governmental activities in the Statement of Activities are different as follows:   |                            |
| Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets are allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense during the year |                            |
| Current Year Capital Outlays  | 55,751                     |
| Less: Current Year Depreciation Expense   | (212,962)                  |
| In the Governmental Funds CALPers expenditures are measured by the amount of financial resources used, which is the amounts actually paid. In the Government-Wide Statement of Activities, CALPers expenditures are measured by the amounts expensed during the year                          | 1,062,518                  |
| In the Governmental Funds OPEB expenditures are measured by the amount of financial resources used, which is the amounts actually paid. In the Government-Wide Statement of Activities, OPEB expenditures are measured by the amounts expensed during the year                                | (44,518)                   |
| In the Governmental Funds compensated absences (sick pay and vacation) are measured by the amount of financial resources used, which is the amounts actually paid. In the Government-Wide Statement of Activities, compensated absences are measured by the amounts earned during the year    | 7,255                      |
| Repayment of principle on long-term liabilities is an expenditure for Governmental funds, but the repayment reduces long-term liabilities on the Government-Wide Statement of Net Position. Principle payments made on long-term liabilities during the year consist of:                      | <u>193,492</u>             |
| Change in Net Position of Governmental Activities   | <u><u>\$ 1,663,041</u></u> |

The accompanying notes are an integral part of these financial statements

**FIDUCIARY FUNDS FINANCIAL STATEMENTS**  
**SCHMIT**

**Scotts Valley Fire Protection District**

**Statement of Fiduciary Net Position**

**SCHMIT**

**June 30, 2017**

|                                |                          |
|--------------------------------|--------------------------|
| <b><u>ASSETS</u></b>           | <b><u>2017</u></b>       |
| <u>Current Assets:</u>         |                          |
| Cash                           | <u>\$ 47,562</u>         |
| Total Current Assets           | <u>47,562</u>            |
| <u>Capital Assets:</u>         |                          |
| Firefighting Equipment         | 587,857                  |
| Computer Equipment             | 948                      |
| Less: Accumulated Depreciation | <u>(432,947)</u>         |
| Total Capital Assets           | <u>155,858</u>           |
| <b>TOTAL ASSETS</b>            | <b><u>203,420</u></b>    |
| <b><u>LIABILITIES</u></b>      |                          |
| <u>Current Liabilities:</u>    |                          |
| Accounts Payable               | <u>-</u>                 |
| Total Current Liabilities      | <u>-</u>                 |
| <b>TOTAL LIABILITIES</b>       | <b><u>-</u></b>          |
| <b><u>NET POSITION</u></b>     |                          |
| SCHMIT Fund                    | <u>203,420</u>           |
| <b>TOTAL NET POSITION</b>      | <b><u>\$ 203,420</u></b> |

The accompanying notes are an integral part of these financial statements



**Scotts Valley Fire Protection District**

**Statement of Activities & Change in Fiduciary Net Position - Fiduciary Funds  
SCHMIT  
For the Year Ended  
June 30, 2017**

|   | <b>2017</b>                  |
|---|------------------------------|
| <b><u>ADDITIONS</u></b>                       | <b><u>Fiduciary Fund</u></b> |
| Aid from other government agencies            | \$ 142,642                   |
| Use of Money and Property (Interest)          | <u>473</u>                   |
| <b>TOTAL ADDITIONS</b>                        | <u>143,115</u>               |
| <b><u>DEDUCTIONS</u></b>                      |                              |
| Depreciation                                  | 23,775                       |
| Services, Supplies and Refunds                | <u>139,762</u>               |
| <b>TOTAL DEDUCTIONS</b>                       | <u>163,537</u>               |
| <b><u>CHANGE IN NET POSITION</u></b>          | <u>(20,422)</u>              |
| <b><u>NET POSITION, BEGINNING OF YEAR</u></b> | <u>223,842</u>               |
| <b><u>NET POSITION, END OF YEAR</u></b>       | <u>\$ 203,420</u>            |

## Scotts Valley Fire Protection District

### **NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

#### Organization

The Scotts Valley Fire Protection District was organized July 17, 1956, under the authority of Section 56000 et. seq. of the California Government Code, in conformity with the Health and Safety Code, Sections 14001 et. seq. and was reorganized in September 1987 in conformity with the Health and Safety Code, Sections 13801 et. seq. The District provides fire protection for the City of Scotts Valley and vicinity.

The Special Fire Protection Zone A was organized December 22, 1969, in conformity with the Health and Safety Code, Sections 13991 et. seq. The boundaries of the fire zone fall totally within Scotts Valley Fire Protection District. By resolution 2003-2 the funding derived from Zone A may be used for capital improvements, where a beneficial relationship to Zone A can be demonstrated as established during the annual budget hearings.

During the fiscal year ended June 30, 2002, the Santa Cruz Hazardous Materials Interagency Team (SCHMIT) was formed. The District has been appointed as the Program Manager for SCHMIT. As program manager, the District is acting as the fiscal agent. The District accounts for all receipts and disbursements for SCHMIT, a separate Fiduciary Fund of the District.

#### Accounting Records

The official accounting records of the District are maintained in the office of the Auditor-Controller of the County of Santa Cruz. Supporting documents are maintained by the District.

#### Minutes

Minutes were recorded for meetings and contained approvals for disbursements.

#### Budgetary Procedure

The District prepares a fiscal year budget in accordance with applicable laws and regulations.

### Note 1 - Significant Accounting Policies

#### Accounting Principles

The financial statements of the Scotts Valley Fire Protection District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

#### Basis of Accounting and Measurement Focus

The accounts of the District are organized on the basis of funds, or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures

## Scotts Valley Fire Protection District

### **NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

#### Financial Statement Presentation

##### Government-Wide Financial Statements

The District Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The District's governmental-wide fund balance is classified in the following categories:

Net Investment in Capital Assets - Includes amount of the fund balance that is invested in capital assets net of any related debt.

Restricted - Includes amounts that can be spent only for the specific purposes stipulated by a formal action of the government's highest level of decision-making authority, external resource providers, constitutionally, or through enabling legislation.

Unrestricted - Includes amounts that are technically available for any purpose and includes all amounts not contained in other classifications.

##### Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

Scotts Valley Fire Protection District

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

**Nonspendable** - Includes amounts that are not in a spendable form or are required to be maintained intact.

**Restricted** - Includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation.

**Committed** - Includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government take the same formal action that imposed the constraint originally.

**Assigned** - Includes amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates authority.

**Unassigned** - Includes amounts that are technically available for any purpose and includes all amounts not contained in other classifications.

**Fiduciary Fund Financial Statements**

The District entered into an arrangement whereby the District reports resources held and administered by the District in a fiduciary capacity for the Santa Cruz Hazardous Materials Interagency Team (SCHMIT). Per definition, the resources held under this agreement are not available to support the District's own programs. Fiduciary Fund financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position.

The basic financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the Fiduciary Fund's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period the liability is incurred.

Scotts Valley Fire Protection District

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy is to apply restricted net position first.

Budgets and Budgetary Accounting

The District prepares a fiscal year budget in accordance with applicable laws and regulations.

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds monthly using a formula based on the average daily balance of each fund.

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such a collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at cost, as the fair market value adjustment at the yearend was immaterial.

Accounts Receivable

On an accrual basis, revenues are recognized in the fiscal year in which the services are rendered. The District has not established an allowance for uncollectable receivables for Governmental or Grant Funds since prior experience has shown that uncollectable receivables are not significant.

Prepaid Expenditures

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures in the period benefited.

Capital Assets

Capital assets, which include land, buildings, improvements, and equipment are reported in the Government-Wide financial statements. Capital Assets are recorded at historical cost or estimated historical cost, if actual cost is not available. Donated assets are valued at their estimated fair value on the date donated. The District had set capitalization thresholds for reporting capital assets at the following:

|              |  |
|--------------|--|
| Structures   | \$3,000  |
| Equipment    | 300  |
| Improvements | 5,000 or 20% of cost of existing asset (lesser of) |

## Scotts Valley Fire Protection District

### **NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Depreciation is recorded on the straight-line method (with no depreciation applied to the first year of acquisition) over the useful lives of the assets as follows:

|                          |             |
|--------------------------|-------------|
| Station and Improvements | 15-40 years |
| Equipment                | 3-40 years  |
| Mobile Equipment         | 10-20 years |

#### Inventory, Materials, and Supplies

The inventory on hand at any time is small. Accordingly, purchases are charged directly to fixed assets or to maintenance costs, as applicable.

#### Liability for Compensated Absences

The District is required to recognize a liability for employees' rights to receive compensation for future absences. All vacation and vested sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### District Special Expense

Because fire hose couplings and nozzles are peculiar to fire districts, the manual of the State Controller provides that purchases of such items be charged to the expense account "District Special Expense".

#### Unrealized Gains and Losses

Governmental Accounting Standards Board (GASB) has established GASB-31 which requires public agencies to report the financial effect of all unrealized gains and losses on invested funds. As of June 30, 2017 the unrealized gains for Scotts Valley Fire Protection District were not considered to be material to the financial statements taken as a whole, and accordingly, has not been reflected in the financial statements.

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred outflow/inflows of resources, represents an acquisition/disposition of net position that applies to future period(s) and will not be recognized as an outflow/inflow of resources until that time.

#### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position

#### Property Taxes

The County of Santa Cruz assesses properties, bills, and collects property taxes for the District. Assessed values are determined annually by the County Assessor as of March 1, and become a lien on real property as of that date. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County bills and collects property taxes and remits them to the District

Scotts Valley Fire Protection District

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

under the state authorized method of apportioning taxes whereby all local agencies, including special districts, receive for the County their respective shares of the amount of ad valorem taxes collected.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**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) plans (Plans) and additions 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.

**Note 2 – Cash**

**Summary of Cash**

|                                    | <u>June 30, 2017</u> | <u>June 30, 2016</u> |
|------------------------------------|----------------------|----------------------|
| County Cash                        | \$ 2,792,332         | \$ 2,225,372         |
| Petty Cash                         | 100                  | 100                  |
| Deposits in Financial Institutions | 14,155               | 14,410               |
| Total                              | <u>\$ 2,806,587</u>  | <u>\$ 2,239,882</u>  |

**Investment Policy:** California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The District does not have an investment policy that addresses its interest rate risk, credit risk, and concentration of credit risk.

**Investment in the County of Santa Cruz's Investment Pool:** The District maintains its cash in County of Santa Cruz's cash and investment pool which is managed by the Santa Cruz County Treasurer. The District's cash balances invested in the Santa Cruz County Treasurer's cash and investment pool are stated at amortized cost, which approximates fair value. Santa Cruz County does not invest in any derivative financial products. The Santa Cruz County Treasury Investment Oversight Committee (Committee) has oversight responsibility for Santa Cruz County's cash and investment pool. The value of pool shares in Santa Cruz County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at cost, which approximates fair value. This investment is not subject to categorization under GASB No. 3.

## Scotts Valley Fire Protection District

### **NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Interest Rate Risk:** Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2017, the weighted average maturity of the investments contained in the County's investment pool was approximately 614 days.

**Credit Risk:** Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating issued by a nationally recognized statistical rating organization. The County's investment pool does not have a rating provided by a nationally recognized statistical rating organization.

**Custodial Risk:** Custodial risk is the risk that the government will not be able to recover its deposits or the value of its investments that are in the possession of an outside party. Custodial credit risk does not apply to a local government's indirect deposits or investment in securities through the use of government investment pools (such as the County's investment pool).

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that 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% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District's deposits were covered by FDIC insurance at June 30, 2017.

#### Note 3 –Accounts Receivable

On June 30, 2017, the District had \$0 in Accounts Receivable.

#### Note 4 – Capital Assets

The District believes that sufficient detail of Capital assets balances is provided in the financial statements to avoid obscuring of significant components by aggregation

#### Note 5 – Compensated Absences

On June 30, 2017, the liability for compensated absences was \$218,157.

#### Note 6 - Changes in Long-term debt

A summary of long-term debt transactions of Scotts Valley Fire Protection District for the year ended June 30, 2017 is as follows:



**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

|   | <u>Balance July</u> | <u>Reductions/</u> | <u>Reductions/</u> | <u>Balance June</u> |
|---|---------------------|--------------------|--------------------|---------------------|
|   | <u>1, 2016</u>      | <u>Additions</u>   | <u>Additions</u>   | <u>30, 2017</u>     |
| Accumulated Unpaid Compensated Absences       | \$ 224,995          | \$ -               | \$ 6,838           | \$ 218,157          |
| Net Other Post Employment Benefits Obligation | \$ -                | \$ 2,184,018       | \$ -               | \$ 2,184,018        |
| CalPERS Side Fund Liability Payment           |                     |                    |                    |                     |
| Long-Term Debt                                | \$ 2,361,596        | \$ -               | \$ 193,492         | \$ 2,168,104        |

Long-Term Debt Notes Payable consists of the following items as of June 30, 2017:

|   | <u>2016</u>  | <u>2017</u>  |
|---|--------------|--------------|
| Santa Cruz County Bank funded fiscal year June 30, 2011, semi-annual payments of \$148,307, including interest at 5.798% per annum. Initial payment due June 15, 2011, final payment due December 15, 2025. | \$ 2,361,596 | \$ 2,168,103 |
|   | \$ 2,361,596 | \$ 2,168,103 |

|              | <u>Principle</u> | <u>Interest</u> |
|--------------|------------------|-----------------|
| 2018         | 175,373          | 121,241         |
| 2019         | 185,377          | 111,237         |
| 2020         | 195,951          | 100,663         |
| 2021         | 207,128          | 89,486          |
| 2022 to 2026 | 1,226,931        | 256,139         |
| 2027 to 2031 | 177,343          | 7,686           |
|              | \$ 2,168,103     | \$ 686,452      |

**Note 7 - Public Employees' Retirement Plan**

**Plan Description** - The Scotts Valley Fire Protection District's defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Scotts Valley Fire Protection District's defined benefit pension plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements are established by the State statutes within the Public Employees' Retirement Law. The Scotts Valley Fire Protection District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts the benefits through local ordinance (other local methods). CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office - 400 P Street - Sacramento, CA 95814.

Scotts Valley Fire Protection District

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

**Summary of Significant Accounting Policies**

For Purposes of Measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this Purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report the following timeframes are used.

|                         |                               |
|-------------------------|-------------------------------|
| Validation Date (VD)    | June 30, 2015                 |
| Measurement Date (MD)   | June 30, 2016                 |
| Measurement Period (MP) | July 1, 2015 to June 30, 2016 |

**General Information about the Pension Plan**

*Plan Description, Benefits Provided and Employees Covered*

The Plan is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2014 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

*Contribution Description*

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers 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 the CalPERS' annual actuarial valuation process. For Public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, 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 the 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 employees. It is the responsibility of the employer to make necessary accounting adjustments to reflect

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

**Actuarial Methods and Assumptions Used to determine Total Pension Liability**

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

|                                   |   |
|-----------------------------------|---|
| Actuarial Cost Method             | Entry Age Normal in accordance with the requirements of GASB Statement No. 68   |
| Actuarial Assumptions             |   |
| Discount Rate                     | 7.5% Net of Pension Plan Administrative and Investment Expenses   |
| Inflation                         | 2.75%   |
| Salary Increases                  | Varies by Entry Age and Service   |
| Investment Rate of Return         | 7.50%   |
| Mortality Rate Table <sup>1</sup> | Derived using CalPERS' membership Data for all Funds  |
| Post Retirement Benefit           |   |
| Increase                          | Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies. 2.75% thereafter |

<sup>1</sup> The mortality table used was developed based on CalPERS' specific data. The table includes 5 years of mortality improvements using Society of Actuaries Scale AA. For more details on this table, please refer to the 2010 experience study report.

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2007, 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 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report call the "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. 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. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**Pension Plan Fiduciary Net Position**

The plan fiduciary net position disclosed in your GASB 68 accounting valuation report may differ from the plan assets reported in your funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included in fiduciary net position. These amounts are excluded for rate setting purposes in your funding actuarial valuation. In addition, differences may result from early CAFR closing and final reconciled reserves.

**Allocation of Net Pension Liability and Pension Expense to Individual Plans**

A key aspect of GASB 68 pertaining to cost-sharing employers is the establishment of an approach to allocate the net pension liability and pension expense to the individual employers within the risk pool. Paragraph 49 of GASB 68 indicates that for pools where contribution rates within the pool are based on separate relationships, the proportional allocation should reflect those relationships. The allocation method utilized by CalPERS determines the employer's share by reflecting these relationships through the plans they sponsor within the risk pool. Plan liability and asset-related information are used where available, and proportional allocations if individual plan amounts as of the valuation date are used where not available.

## Scotts Valley Fire Protection District

### NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

At 6/30/2017, proportionate shares of net pension liability by plan(s):

|               | Proportionate Share of Net<br>Pension Liability |
|---------------|---|
| Miscellaneous | 161,983   |
| Safety        | 8,561,489                                       |
| <b>Total</b>  | <b>8,723,472</b>                                |

At 6/30/2016, proportionate share of the net pension liability for the Plan as of 6/30/2015 and 6/30/2016:

|                              | Miscellaneous | Safety   | Total    |
|------------------------------|---------------|----------|----------|
| Proportion - June 30, 2015   | 0.00464%      | 0.15551% | 0.09521% |
| Proportion - June 30, 2016   | 0.00466%      | 0.16530% | 0.10081% |
| Change - Increase/(Decrease) | 0.00002%      | 0.00979% | 0.00560% |

**Note:** Due to the nature of calculating proportionate share of the net pension liability, total proportion for all employer plans will not equal the sum of the miscellaneous proportion % and the safety proportion %.

Pension Expense/(Credit) as of 6/30/2017 301,295

6/30/2017 reported deferred outflows of resources and deferred inflows of resources related to pensions:

|   | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|---|-----------------------------------|----------------------------------|
| Differences between Expected and Actual Experience                                    | -                                 | 55,547                           |
| Changes of Assumptions  | -                                 | 249,678                          |
| Differences between Projected and Actual Investment Earnings                          | 1,228,270                         | -                                |
| Differences between Employer's Contributions and Proportionate Share of Contributions | -                                 | 254,834                          |
| Change in Employer's Proportion   | 183,699                           | 649                              |
| Pension Contributions Made Subsequent to Measurement Date                             | 851,899                           | -                                |
|   | <b>2,263,868</b>                  | <b>560,709</b>                   |

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expenses as follows:

| Fiscal Year Ending June 30: | Miscellaneous | Safety      | Total       |
|-----------------------------|---------------|-------------|-------------|
| 2018                        | \$ 408        | \$ (43,697) | \$ (43,289) |
| 2019                        | 1,065         | 1,953       | 3,018       |
| 2020                        | 12,623        | 559,191     | 571,814     |
| 2021                        | 7,450         | 312,266     | 319,717     |
| 2022                        | -             | -           | -           |
| Thereafter                  | 21,546        | 829,714     | 851,260     |

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate

|  | Discount Rate -1%<br>6.65% | Current Discount Rate<br>7.65% | Discount Rate +1%<br>8.65% |
|--|----------------------------|--------------------------------|----------------------------|
| Employer's Net Pension Liability/(Asset) - Miscellaneous | 251,146                    | 161,983                        | 88,294                     |
| Employer's Net Pension Liability/(Asset) - Safety        | 13,277,853                 | 8,561,489                      | 4,669,837                  |
| Employer's Net Pension Liability/(Asset) - Total         | 13,528,999                 | 8,723,472                      | 4,758,131                  |

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**SAFETY**

|   | 2017         | 2016         |
|---|--------------|--------------|
| Proportion of the net pension liability   | 0.100810%    | 0.09521%     |
| Proportionate share of the net pension liability                                    | \$ 8,723,472 | \$ 6,535,150 |
| Covered - employee payroll - measurement period                                     | \$ 2,999,215 | \$ 2,844,227 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 290.86%      | 229.77%      |
| Plan fiduciary net position as a percentage of the total pension liability          | 75.36%       | 80.70%       |
|   | 2017         | 2016         |
| Contractually required contribution (actuarially determined)                        | \$ 851,899   | \$ 726,938   |
| Contributions in relation to the actuarially determined contributions               | 851,899      | 726,938      |
| Contribution deficiency (excess)  | \$ -         | \$ -         |
|   | 2017         | 2016         |
| Covered - employee payroll - fiscal year  | \$ 3,018,958 | \$ 2,999,215 |
| Contributions as a percentage of covered - employee payroll                         | 28.22%       | 24.24%       |

Notes to Schedule:

Valuation date: June 30, 2016 June 30, 2015

Methods and assumptions used to determine contribution rates:

|                               |   |
|-------------------------------|---|
|                               | Entry age normal  |
| Amortized method              | Level percentage of payroll, closed                               |
| Remaining amortization period | 13 years 14 years   |
| Asset valuation method        | 5-year smoothed market  |
| Inflation                     | 2.75% 2.75%   |
| Salary increases              | Varies by entry age and service                                   |
| Investment rate of return     | .50%, net of pension plan investment expense, including inflation |

Notes to 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)

**Changes in assumptions:** The June 30, 2015 Actuarial Valuation changed the discount rate from 7.5% (net of administrative expenses) to 7.65%

**Omitted years:** GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date.

**Note 9 – Post Retirement Benefits:**

In addition to the pension benefits described in Note 6, Employees' Retirement Plan, the District provides medical insurance to retired employees. The scope of the benefits provided depends on the memorandum of understanding between the District and the various employee groups.

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Plan Description**

The District provides contributions for post retirement health, dental, and life to retired employees. The scope of the benefits provided depends on the memorandum of understanding between the District and the various employees.

**Current Accounting and Funding Policy of the Plan**

The District finances the plan on a pay-as-you-go basis and the expenditures for post-retirement benefits other than pension benefits are recognized as payments are made. During the year ended June 30, 2017, expenditures of approximately \$79,947 were paid for post-employment benefits other than pension benefit.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events in the future. The actuarial assumptions included (a) Demographic assumptions affected by mortality, turnover, disability, and retirement based on the June 30, 2017 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern on sharing benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective on the calculations.

**District Service Benefit**

|                       |                                   |
|-----------------------|-----------------------------------|
| Valuation Date        | June 30, 2017                     |
| Actuarial Cost Method | Projected Unit Credit             |
| Amortization Method   | 30-year level dollar, open period |
| Inflation             | 2.75%                             |
| Discount Rate         | 3.5%                              |

**Required Supplementary Information**

**Schedules of Funding Progress**

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017  
Funded Status of the District Service Benefit**

| Actuarial<br>Valuation<br>Date | Value of Assets | Net OPEB Liability | Funded<br>Ratio | Covered Payroll | NOL as a<br>% of<br>Payroll |
|--------------------------------|-----------------|--------------------|-----------------|-----------------|-----------------------------|
| 6/30/17                        | \$ -            | \$ 1,908,422       | 0.0%            | \$ 3,656,478    | 52.2%                       |

**Schedules of Employer Contributions**

**Employer Contributions District Service Benefit**

| Year Ended | Annual OPEB Cost | Actual<br>Contribution | Percentage<br>Contributed |
|------------|------------------|------------------------|---------------------------|
| 6/30/17    | \$ 124,465       | \$ 79,947              | 64.2%                     |

**Note 10 – Risk Management**

The District is a member of the Santa Cruz County Fire Agencies Insurance Group (the "Group"). In a board meeting on June 19, 2002, the Group approved the return of its self-insurance certificates to the State and to accept a proposal from California Public Entity Insurance Authority (CPEIA) and joint powers authority for both primary and excess workers' compensation coverage. In a resolution dated September 20, 2007 the Santa Cruz Fire Agencies Insurance Group's Board of Directors opted to terminate the CPEA joint power agreement and merge into the CSAC Excess Insurance Authority (CSAC-EIA) Joint Power Agreement. This change was predicted on the decision of CSAC-EIA to restructure their bylaws and JPA agreements, discontinuing the operation of CPEIA member granted automatic approval of inclusion into both the Primary and Excess EIA workers' compensation programs beginning with the July 1, 2007 policy renewals. The relationship between the Group and CSAC-EIA ("the JPA") is such that CSACOEIA is not a component unit of the Group for reporting purposes.

CSAC-EIA is a joint powers agency (JPA formed pursuant to Section 6500 et seq. of the California Government Code. Members are assessed a contribution for each program in which they participate. Members may be subject to additional supplemental assessments if it is determined that the contributions are insufficient. Members may withdraw from the CSAC-EIA only at the end of a policy period and only if a sixty day written advance note is given. However, CSAC-EIA may cancel a membership at any time upon a two-thirds vote of the Board of Directors and with sixty days written notice. Upon withdrawal or cancellation, a member shall remain liable for additional assessments for the program periods they have participated. CSAC-EIA is governed by a board of directors. The Board controls the operations of CSAC-EIA including adopting and annual budget.



**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Primary Workers' Compensation - The Primary Workers' Compensation program is a full service program including claims administration. The program blends pooling of workers' compensation claims with purchased stop loss insurance.

Excess Workers' Compensation - CSAC retains responsibility for payment of claims in excess of \$125,000 for each member who also participates in the primary workers' compensation program. Claim liabilities are recognized based on the actuarial estimate of expected ultimate claim cost discounted at 6%.

Insurance coverage as of June 30, 2017 is as follows:

| <u>Property</u>   | <u>Deductible</u> | <u>Limits</u>   |
|---|-------------------|---|
| Real Property, Including Code Upgrade and On-site Equipment Breakdown   | \$1,000           | Guaranteed Replacement Cost Included                    |
| Building Contents and Personal Property   | \$1,000           |   |
| Building and Contents Sublime, Earthquake and Flood   | \$1,000           | \$1,000,000 Each loss and each location                 |
| Electronic Data Processing  |                   |   |
| Business - Personal Property Included   | \$500             | \$250,000   |
| Equipment   | \$500             | \$250,000   |
| Software  | \$500             | \$250,000   |
| <u>Emergency Services</u>   | <u>Deductible</u> | <u>Limits</u>   |
| Commandeered and Impounded Property   |                   | Larger of Actual Value or Liability                     |
| Scheduled Equipment Floater:  | \$250             | Guaranteed Replacement Cost (Unlimited)                 |
| Miscellaneous Portable Equipment  |                   | \$250,000   |
| Public Employee Dishonesty/Fidelity Bond  |                   | \$1,000,000   |
| Employee Benefits Liability   |                   | Agreed Value or ACV                                     |
| Automobile Comprehensive  | \$250/1,000       | Agreed Value or ACV                                     |
| Automobile Collision  | \$250/1,000       |   |
| <u>Liability</u>  |                   |   |
| Commercial/General Liability Each Occurrence  |                   | \$1,000,000   |
| General Aggregate Limit   |                   | \$10,000,000  |
| <u>Automobile Coverage -</u>  |                   |   |
| Combined Single Limit   |                   | \$1,000,000   |
| Uninsured/Underinsured Motorists  |                   | \$1,000,000   |
| <u>Excess Liability Coverage -</u>  |                   |   |
| Operation, Aggregate, Automobile and Public Offices Errors and Omissions, Occurrence  |                   | \$5,000,000 Each Occurrence<br>\$10,000,000 Aggregate   |
| Public Officials Errors and Omissions/Management Liability including Emergency Services Liability - Occurrence, Aggregate - Primary |                   | \$1,000,000 Each Wrongful Act<br>\$10,000,000 Aggregate |
| Medical Expense (Any one person)  |                   | \$5,000   |
| Valuable Papers/Records   |                   | \$250,000   |

**Scotts Valley Fire Protection District**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

|  |       |  |             |
|--|-------|--|-------------|
| Loss of Income - Extra Expense                           |       |  | Actual Cost |
| Money and Securities                                     | \$250 |  | \$25,000    |
| Uncollected Funds  |       |  | \$250,000   |
| <u>Personnel:</u>  |       |  |             |
| Workers' Compensation                                    |       |  | Statutory   |
| PERS Health to 12/31/05, FDAC EBA from 1/1/06 to current |       |  | Per Policy  |
| Dental   |       |  | Per Policy  |
| Term Life Insurance                                      |       |  | Per Policy  |

**Note 11 – Prior-Period Adjustment**

The District has adopted GASB 74 and 75. The adoption of the new GASB pronouncements resulted in a prior-period adjustment to add a Net OPEB Liability to the Statement of Net Position.

**Note 12 – Subsequent Events**

The District's management has evaluated events and transactions subsequent to June 30, 2017 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through December 20, 2017, the date the financial statements became available to be issued. The entity has not evaluated subsequent events after December 20, 2017. The District contracted to purchase a new engine in September 2017.

**Scotts Valley Fire Protection District**

**Supplemental Information**

**June 30, 2017**

**Scotts Valley Fire Protection District**

**Statement of Revenues, Expenditures & Change in Fund Balance  
Budget and Actual - General Fund  
For the Year Ended  
June 30, 2017**

| <b><u>REVENUE</u></b>                              | <b><u>Budget</u></b> | <b><u>Actual</u></b> | <b><u>Variance</u></b> |
|--|----------------------|----------------------|------------------------|
| Tax Revenue  | \$ 6,144,055         | \$ 6,386,074         | \$ 242,019             |
| Charges for Service                                | 493,145              | 500,689              | 7,544                  |
| Interest & Investment Earnings                     | (1,500)              | 3,200                | 4,700                  |
| License & Permits                                  | 51,200               | 81,507               | 30,307                 |
| Grants & Contributions                             | -                    | -                    | -                      |
| Miscellaneous                                      | 10,000               | 11,655               | 1,655                  |
| <b>TOTAL REVENUE</b>                               | <b>6,696,900</b>     | <b>6,983,125</b>     | <b>286,225</b>         |
| <b><u>EXPENDITURES</u></b>                         |                      |                      |                        |
| Capital Assets                                     | 59,220               | 17,913               | 41,307                 |
| Debt Service:                                      |                      |                      |                        |
| Principle  | 193,500              | 193,492              | 8                      |
| Interest   | 130,749              | 130,744              | 5                      |
| Professional Fees                                  | 141,600              | 107,105              | 34,495                 |
| Salaries and Employee Benefits                     | 5,723,360            | 5,559,176            | 164,184                |
| Repairs and Maintenance                            | 151,750              | 120,724              | 31,026                 |
| Insurance  | 29,000               | 25,968               | 3,032                  |
| Services, Supplies and Refunds                     | 417,721              | 305,694              | 112,027                |
| <b>TOTAL EXPENDITURES</b>                          | <b>6,846,900</b>     | <b>6,460,816</b>     | <b>344,777</b>         |
| <b>Excess (Deficit) Revenues over Expenditures</b> | <b>(150,000)</b>     | <b>522,309</b>       |                        |
| <b>Transfer In/(Out)</b>                           |                      | <b>(200,000)</b>     |                        |
| <b><u>CHANGE IN FUND BALANCE</u></b>               |                      | <b>322,309</b>       |                        |
| <b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>      |                      | <b>1,172,286</b>     |                        |
| <b><u>FUND BALANCE, END OF YEAR</u></b>            |                      | <b>\$ 1,494,595</b>  |                        |

# Scotts Valley Fire Protection District

## **Statement of Revenues, Expenditures & Change in Fund Balance Budget and Actual - Zone A For the Year Ended June 30, 2017**

| <u>REVENUE</u>                                     | <u>Budget</u>    | <u>Actual</u>     | <u>Variance</u> |
|--|------------------|-------------------|-----------------|
| Tax Revenue  | \$ 99,872        | \$ 105,394        | \$ 5,522        |
| Charges for Service                                | -                | -                 | -               |
| Interest & Investment Earnings                     | 4,000            | 7,902             | 3,902           |
| License & Permits                                  | -                | -                 | -               |
| Grants & Contributions                             | -                | -                 | -               |
| Miscellaneous                                      | -                | -                 | -               |
| <b>TOTAL REVENUE</b>                               | <b>103,872</b>   | <b>113,296</b>    | <b>9,424</b>    |
| <u>EXPENDITURES</u>                                |                  |                   |                 |
| Capital Assets                                     | 500,000          | -                 | 500,000         |
| Debt Service:                                      |                  |                   |                 |
| Principle  | -                | -                 | -               |
| Interest   | -                | -                 | -               |
| Professional Fees                                  | 11,700           | 1,545             | 10,155          |
| Salaries and Employee Benefits                     | -                | -                 | -               |
| Repairs and Maintenance                            | -                | -                 | -               |
| Insurance  | -                | -                 | -               |
| Services, Supplies and Refunds                     | 71,415           | -                 | 71,415          |
| <b>TOTAL EXPENDITURES</b>                          | <b>583,115</b>   | <b>1,545</b>      | <b>81,570</b>   |
| <b>Excess (Deficit) Revenues over Expenditures</b> | <b>(479,243)</b> | <b>111,751</b>    |                 |
| <u>CHANGE IN FUND BALANCE</u>                      |                  | <u>111,751</u>    |                 |
| <u>FUND BALANCE, BEGINNING OF YEAR</u>             |                  | <u>879,246</u>    |                 |
| <u>FUND BALANCE, END OF YEAR</u>                   |                  | <u>\$ 990,997</u> |                 |

**Scotts Valley Fire Protection District**

**Statement of Revenues, Expenditures & Change in Fund Balance  
Budget and Actual - Capital  
For the Year Ended  
June 30, 2017**

| <b><u>REVENUE</u></b>                              | <b><u>Budget</u></b> | <b><u>Actual</u></b> | <b><u>Variance</u></b> |
|--|----------------------|----------------------|------------------------|
| Tax Revenue  | \$ -                 | \$ -                 | \$ -                   |
| Charges for Service                                | -                    | -                    | -                      |
| Interest & Investment Earnings                     | 500                  | 1,815                | 1,315                  |
| License & Permits                                  | -                    | -                    | -                      |
| Grants & Contributions                             | -                    | -                    | -                      |
| Miscellaneous                                      | -                    | 3,469                | 3,469                  |
| <b>TOTAL REVENUE</b>                               | <b>500</b>           | <b>5,284</b>         | <b>4,784</b>           |
| <b><u>EXPENDITURES</u></b>                         |                      |                      |                        |
| Capital Assets                                     | 90,000               | 37,839               | 52,161                 |
| Debt Service:                                      |                      |                      |                        |
| Principle  | -                    | -                    | -                      |
| Interest   | -                    | -                    | -                      |
| Professional Fees                                  | -                    | -                    | -                      |
| Salaries and Employee Benefits                     | -                    | -                    | -                      |
| Repairs and Maintenance                            | -                    | -                    | -                      |
| Insurance  | -                    | -                    | -                      |
| Services, Supplies and Refunds                     | 30,864               | -                    | 30,864                 |
| <b>TOTAL EXPENDITURES</b>                          | <b>120,864</b>       | <b>37,839</b>        | <b>30,864</b>          |
| <b>Excess (Deficit) Revenues over Expenditures</b> | <b>(120,364)</b>     | <b>(32,555)</b>      |                        |
| <b>Transfer In/(Out)</b>                           |                      | <b>200,000</b>       |                        |
| <b><u>CHANGE IN FUND BALANCE</u></b>               |                      | <b>167,445</b>       |                        |
| <b><u>FUND BALANCE, BEGINNING OF YEAR</u></b>      |                      | <b>195,364</b>       |                        |
| <b><u>FUND BALANCE, END OF YEAR</u></b>            |                      | <b>\$ 362,809</b>    |                        |



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

**Steve M. Kovacs**  
**Fire Chief**

Date: May 9, 2018  
To: Board of Directors  
From: Steve M. Kovacs, Fire Chief  
Re: Item 5.7, Extension of the Entry Level Firefighter List

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**Recommendation:**


Extend the current Entry Level Firefighter list for 90 Days.

**Discussion:**

The current list expires on May 10, 2018. By extending the Entry Level Firefighter (ELFF) list by 90 days, this will provide options to hire candidates from the current list to cover potential retirements and allow the District to conduct a testing process to establish a new ELFF list.

Board of Directors

Robert Campbell   Russ Patterson   Daron Pisciotta   Alan Smith   Joshua Warren

|   |  |
|---|--|
| <b>Scotts Valley Fire Protection District</b>   |   |
| <b>POLICY: 1501</b><br><br><b>DATE APPROVED: 12/10/2008</b><br><b>BOARD CHAIR:</b> <i>R. J. Clark Jr.</i> | <b>SUBJECT: Entry Level Firefighter or Firefighter/Paramedic Hiring</b><br><br><b>FIRE CHIEF:</b> <i>Michael P. Murray</i> |

**Policy 1501: Entry Level Firefighter or Firefighter/Paramedic Hiring**


When no current eligibility list exists for the position needing to be filled, the Board of Directors may determine that it is appropriate to recruit for open positions or vacancies in the entry level firefighter positions in the district by soliciting applications solely from paid call members of the district. If the Board does so determine, then the chief shall provide a notice to all district paid call members of the open positions or vacancies available, which notice shall state where applications may be obtained, the final date for filing applications, and how applicants may be chosen to take the tests. All applications received will be processed and applicants shall be qualified or disqualified.

The Board of Directors may also direct that open recruitment and testing for required positions be conducted based on the position(s) needing to be filled. This may be done independently or cooperatively with other agencies testing for similar positions.

In either case the testing components will include the following with successful completion of each component required as a condition of employment:

1. Application screening for minimum requirements based on job description
2. Written test
3. Physical agility test
4. Oral interview
5. Chiefs interview
6. Medical physical



|   |   |
|---|---|
| <b>Scotts Valley Fire Protection District</b> |  |
| <b>POLICY: 1501</b>                           | <b>SUBJECT: Entry Level Firefighter or Firefighter/Paramedic Hiring</b>             |

7. Comprehensive background check including report on driving record including insurability with the District's insurance carrier.

In the case of an open testing process, candidates will be required to pass all of the test components as established by the Emergency Medical Services Integration Authority. This process is hereby referenced as the standard for the testing process.

Upon meeting the minimum qualifications and successful completion of the written test, physical agility test, oral interview and background check, candidates will be placed on an eligibility list. The Board of Directors will certify the list, which will be valid for a period of one year from the date of certification by the Board. The sequence of the list will be based upon the test scores of the successful candidates.

\* The list will be brought before the Board prior to expiration at which time the Board could consider extending the list for a period to be determined by the Board. The Board may, at its discretion, extend the list or determine that the list will terminate as otherwise defined in this policy.

The Fire Chief is hereby authorized to consider any candidate from the list for each appointment. The Fire Chief may conduct further interviews to make this selection.

The Fire Chief may consider personnel, who are currently Paid Call Firefighters for the Scotts Valley Fire Protection District and in good standing, if they are on a joint agency or open list regardless of their position on the list.

Upon hiring, the Entry Level Firefighter or Firefighter/Paramedic will be on Probationary Status for a period of twenty-four months from the date of hire.

May 10, 2017

## **Entry Level Firefighter/EMT and Firefighter/Paramedic Eligibility List**

| <b><u>Rank</u></b> | <b><u>Name</u></b>                 | <b><u>Agency</u></b> | <b><u>EMT/PM</u></b> | <b><u>State/County</u></b> |
|--------------------|------------------------------------|----------------------|----------------------|----------------------------|
| 1                  | Cean McGuire                       | SCO                  | PM                   | County                     |
| <del>2</del>       | <del>Randall Rothweiler</del>      | <del>BRN</del>       | <del>PM</del>        | <del>County</del>          |
| 3                  | Josh Nehf                          | SCO                  | PM                   | State                      |
| 4                  | Rob Goodman                        | BRN                  | EMT                  |                            |
| 5                  | Adolfo Gonzalez                    | BRN                  | PM                   | County                     |
| <del>6</del>       | <del>Jesse Lawler (resigned)</del> | <del>SCO</del>       | <del>PM</del>        | <del>County</del>          |
| <del>7</del>       | <del>Casey Avila</del>             | <del>BRN</del>       | <del>PM</del>        | <del>State</del>           |
| 8                  | Matthew Goodwin                    | SCO                  | EMT                  |                            |
| 9                  | David Alcamo                       | SCO                  | PM                   | County                     |
| 10                 | Felipe Diaz                        | BRN                  | EMT                  |                            |
| 10                 | Mathew Smiley                      | SCO                  | EMT                  |                            |
| 11                 | Shaine Karleen                     | BRN                  | EMT                  |                            |
| <del>12</del>      | <del>Jonathan Bauer</del>          | <del>SCO</del>       | <del>PM</del>        | <del>State</del>           |
| 13                 | Robert McNeill                     | SCO                  | PM                   | State                      |
| 14                 | Mario Martinez                     | BRN                  | EMT                  |                            |



# SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066 (831) 438-0211 Fax (831) 438-0383

**Steve M. Kovacs**  
**Fire Chief**

Date: May 9, 2018

To: Board of Directors

From: Chief Kovacs

Subject: Administrative Report

| Incident Type       | February |      | March |      | April |      | Year To Date |      |
|---------------------|----------|------|-------|------|-------|------|--------------|------|
|                     | 2017     | 2018 | 2017  | 2018 | 2017  | 2018 | 2017         | 2018 |
| Fires               | 2        | 2    | 5     | 1    | 2     | 5    | 10           | 9    |
| Explosion / Rupture | 0        | 0    | 0     | 0    | 0     | 0    | 2            | 0    |
| EMS                 | 116      | 89   | 126   | 105  | 112   | 106  | 488          | 423  |
| Hazardous Condition | 25       | 5    | 9     | 7    | 10    | 3    | 69           | 23   |
| Service Calls       | 13       | 14   | 21    | 14   | 14    | 11   | 80           | 57   |
| Good Intent         | 39       | 27   | 39    | 41   | 45    | 33   | 182          | 135  |
| False Alarms        | 9        | 5    | 10    | 8    | 11    | 4    | 43           | 32   |
| Severe Weather      | 0        | 0    | 0     | 0    | 0     | 0    | 2            | 0    |
| Totals              | 204      | 142  | 210   | 176  | 194   | 162  | 876          | 679  |

## Operations

- We have gone live with the CrewSense Staffing program. So far it's going well, and has been very well received by the crews.
- 2 of the 3 computer workstation have been upgraded according to our annual computer replacement plan. The last one to go into service is the new CAD monitoring machine, which will be operational soon.
- NetCom has launched the new CAD. This has been about 16 months in the works. It went live on April 17<sup>th</sup>. It's been a rocky start, but hopefully the bugs will get ironed out soon.
- On April 12<sup>th</sup>, BC Whittle and BC McNeil participated in a training class with SVPD admin and Sgts. regarding a joint response to violent incidents.

Board of Directors

Daron Pisciotta

Robert Campbell

Alan Smith

Russ Patterson

Joshua Warren

- On April 17<sup>th</sup>, SCO chiefs participated in a CODE RED training exercise with SVPD and SVUSD. The drill was conducted at the high school. A lockdown was ordered and Police and Fire crews worked together to mitigate a simulated active shooter on campus, with some injured students. The training highlighted the importance of establishing Unified Command with law enforcement as early into an incident as possible.

### Training

- BC McNeil, Captain Stubendorff, and Captain LoFranco attended a two day class on Operational Response to Mass Casualty.
- Armando Cortes taught CPR for the SV Water District.
- Captains, Stubendorff, LoFranco and Petteys attended a Strike Team Leader Class at Central Fire District.
- Crews performed roof-top vertical ventilation on the roof prop
- All safety personnel reviewed policies on *Personal Accountability System and Two-in-Two out*
- EMS included mandatory paramedic and EMT accreditation with airway management and spinal immobilization.
- Health and Wellness meetings.
- Crews reviewed county PPT on RIC operations, utilized equipment, performed profile changes, mask and bottle swaps.
- Each shift did multi-company training at the Watsonville training tower on *mass decontamination* to verify time standard and operations.
- SCHMIT members participated in the last quarterly drill of the FY on WMD and scenario exercises.
- Wildland refresher training began including topics: LCES, wind & weather warnings, fuel geysering, unmanned aircraft systems, progressive hose lays, pump and roll, drafting, GPS field work, fire shelter review, and avoiding entrapment.

### Prevention

- Engine companies have been doing fire safety inspections in B1 occupancies.
- A-Shift participated in "Touch a Truck" event.

### EMS

- We implemented a new narcotic tracking system called Operative IQ. It's an online system that will help track our narcotic medication inventory from distribution to the administration to patients, and restock. This system will eventually be used by all ALS fire agencies. SCO and Aptos are the first ALS departments to go live with it.
- Eng/PM Cortes taught a public CPR class on March 10<sup>th</sup> and it was well attended.

### Administration:

- Child Passenger Safety Program – Secretary Receptionist Bridges inspected 6 car seats in March and 6 car seats in April. Secretary Receptionist Bridges participated in a car seat event at the Capitola Police Department on April 14<sup>th</sup>.
- Administrative Secretary Walton and Secretary Receptionist Bridges and Evans attend the AFSS Conference at the end of April with classes in Grant Writing, Legal Updates, Health and Wellness and Leadership.
- The quarterly Santa Cruz AFSS May Meeting will be a tour of Net Com.

**Fire Chief Activities:**

- Attended an Operational Area Coordinator meeting at Felton.
- FDAC Conference calls.
- Attended the Annual FDAC Conference.
- Assisted with a Strike Team Leader Class held at Central Fire District.
- Attended the April SCCFAIG meeting.
- Attended County Chief's meetings.
- Attended the EMSIA meeting.
- Participated in OES Mutual Aid conference call.
- Participated in DRiSC conference calls and meetings.
- Conference calls with Group 4.
- Participated in Facility's Study Workshop.
- County Health and Wellness Task Team meetings.
- Attended SVFD Firefighter Health and Wellness (SHAW) meeting.
- Participated in a FIREScope Conference call.
- Attended BRN trainings.
- FDAC EBA Conference call and meeting.
- Attended a Labor-Management Alliance Conference with Captain Petteys.
- BRN Finance Meeting.
- Code Red training at SVHS with SCPD, SCO Chiefs and on-duty crews.
- Presented at the Administrative Fire Services Section Conference in Santa Cruz – Welcome, Fire Chief Panel and Leadership class.
- Assisted in Assessment Centers for Central Fire and Santa Clara County.
- Attended a Valley Council meeting.
- Attended a County Chiefs Telecom meeting.
- Working on Preliminary budgets for SCO, BRN and SCHMIT.
- Participated in EOC Training at City Hall.
- Attended Badge pinning for new Aptos Fire Chief.
- Attended the annual Strike Team Leader Refresher.
- Attended the Monthly PRC meeting at City Hall.
- Attended the BFFA Graduation at SLVHS for SCO PCF's and BRN Volunteers.