



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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

Board of Directors

Agenda

Wednesday, October 14, 2020, 6:00 P.M.

Complete Board Meeting packets are available upon request and on Scotts Valley Fire District's website. Call (831) 438-0211 or visit www.scottsvalleyfire.com.

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

Notice of Teleconferenced Meeting

Pursuant to Governor Newsom's Executive Order N-25-20 regarding COVID-19, members of the Scotts Valley Fire Protection District Board of Directors and staff may participate in this meeting by teleconference. To reduce the spread of COVID-19, members of the public are encouraged to listen to the meeting from their homes via teleconference by calling +1 408-638-0968, enter the meeting number when prompted (94365769420) and entering Access Code 537628 or connecting to the meeting online via their computer, smart phone or tablet at the following link:
<https://zoom.us/j/94365769420?pwd=U3duVkdoZStvV3VuNERoREFNTzBiZz09>

1. **Call to Order**
 - 1.1 Pledge of Allegiance and Moment of Silence
 - 1.2 Roll Call
2. **Closed Session: Government**
 - 2.1 Conference with Legal Counsel – Existing Litigation (Government Code §54956.9)
Name of Case: Green v. Scotts Valley Fire District
 - 2.2 Public Employee Appointment/Public Employment (Government Code § 54957)
Title: Fire Chief
3. **Open Session**
 - 3.1 Report on Closed Session: Government Code §54957.1
4. **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.
5. **Agenda Amendments (GC §54954.2) – Discussion/Action**
6. **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.)

 - 6.1 Approve Regular Board Meeting Minutes of September 9, 2020
 - 6.2 Approve Special Board Meeting Minutes of September 25, 2020
 - 6.3 Approve September Payroll 19 and 20 in the amount of: \$724,570.43

**Scotts Valley Fire Protection District
Board of Directors Meeting for October 14, 2020
Agenda**

6.4 Approve September Expenditures in the Amount of:

General Fund:	\$106,745.10
Capital Outlay:	\$ 29,498.55
SCHMIT:	\$ 122.86
TOTAL:	\$136,366.51

6.5 Approve the following Revised SVFPD Policies:

Policy #	Subject	Policy #	Subject
504	Duty Chief Statement	1703	Battalion Chief Job Description
603	Acting Company Officers	1705	Fire Captain Job Description
1505	Career Development Guide	1706	Engineer Job Description
1505-1	Attachment	1708	Firefighter Job Description
1505-2	Attachment		

6.6 Approve Permit/Inspection Fee Waiver Request for Scotts Valley High School's Haunted House

6.7 Receive and Accept GASB 74/75 Valuation for Fiscal Year Ending June 30, 2020

6.8 Appoint Fire Chief Ron Whittle as the District's Designated Representative and Battalion Chief Jeff McNeil as the Alternate Representative for the Santa Cruz County Fire Agencies Insurance Group and the Emergency Medical Services Integration Authority

7. Action Items

7.1 Approve Employment Agreement for the Position of Fire Chief, Discussion/Action

7.2 Adopt Revised Publicly Available Pay Schedule per Government Code §20636, Discussion/Action

7.3 Adopt Revised Policy 1608: Reserve Guidelines, Discussion/Action

7.4 Adopt Revised Policy 2000: Conflict of Interest Code and Biennial Review of the Conflict of Interest Code, Discussion/Action

7.5 Ad Hoc Board Committee Appointment – Labor Negotiators, Discussion/Action

8. Board of Directors and Administrative Reports – Information/Discussion

(No action will be taken on any questions raised by the Board at this time.)

8.1 Board of Directors Report – *Directors*

8.2 Administrative Report – *Chief Officers*

9. Correspondence

9.1 Thank You Letter – Kaiser Permanente

9.2 Thank You Letter – Hidden Glen Property Owner's Association

9.3 Thank You Letter/Donation – Allen and Susan Schwartz

9.4 Thank You Letter/Donation – Myra Morris

10. Adjournment

Next Regularly Scheduled Board Meeting:
Wednesday, December 9, 2020 at 6:00 p.m.
(November 11, 2020 Meeting Cancelled due to Veterans Day)



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 September 9, 2020

Notice of Teleconferenced Meeting

Pursuant to Governor Newsom's Executive Order N-25-20 regarding COVID-19, members of the Scotts Valley Fire Protection District Board of Directors and staff participated in this meeting by teleconference. To reduce the spread of COVID-19, members of the public were encouraged to listen to the meeting from their homes via teleconference by calling +1 408-638-0968, enter the meeting number when prompted (95864606404) and entering Access Code 710819 or connecting to the meeting online via their computer, smart phone or tablet at the following link: <https://zoom.us/j/95864606404?pwd=c0FzL2RxTG5jcHljY1RqbW1PME9Bdz09>

1. Call to Order

1.1 Pledge of Allegiance and Moment of Silence

At 6:00 p.m., President Pisciotta called for the Pledge of Allegiance and a Moment of Silence to follow.

1.2 Roll Call

- | | |
|--------------------------------|---|
| A. Directors Present: | Directors Campbell, Harmon, Parker, Patterson and Pisciotta |
| B. Directors Absent: | None |
| C. Fire District Staff: | Chief Kovacs, Battalion Chief Whittle and Administrative Secretary Walton |
| D. Total Compensation Systems: | Consulting Actuary Will Kane |

President Pisciotta moved Item 7.1 prior to the Closed Session for the report from the Consulting Actuary Will Kane.

Chief Kovacs explained that the Board discussed this item at the August 12, 2020 Board Meetings to consider proposed amendments to Post-Employment Benefits. The money that had been going into the VEBA will be reallocated to the new program.

Consulting Actuary Will Kane explained that the current program provided the statutory minimum and \$3,000 annually per employee to the VEBA. The new program provides pre age 65 coverage, up to \$1,000 per month and increases the cost from \$2.3 to \$2.9 million dollars. Based on the calculations, repurposing the VEBA funds will provide a sustainable approach to offering this additional benefit.

7.1 Post-Employment Healthcare Benefits for Local 3577 Represented Unit and Chief Officers. Discussion/Action

On motion of Director Campbell seconded by Director Harmon *Accept the Statement of the Actuarial Impact upon Future Annual Costs for Proposed Post-Employment Benefits as Presented* was approved by the following vote:

AYES:	Campbell, Harmon, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

2. Closed Session: Government Code §54957.7

- ##### 2.1 Conference with Labor Negotiators: Government Code §54957.6 Agency Designated Representatives: Robert Campbell and Joe Parker Employee Organization: All

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At 6:10 p.m., President Pisciotta announced that the Board would be going into Closed Session for Item 2.1.

3. Open Session

3.1 Report on Closed Session: Government Code §54957.1

At 6:43 p.m., the Board reconvened to open session and President Pisciotta reported that no Action was taken for Item 2.1.

4. Public Comment (GC §54954.3)

None

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

None

6. Consent Calendar

6.1 Minutes: Approve Regular Board Meeting Minutes of August 12, 2020

6.2 Minutes: Approve Special Board Meeting Minutes of August 27, 2020

6.3 Payroll: Approve August Payroll 17 and 18 in the amount of: \$447,674.21

6.4 Expenditures: Approve Expenditures for August in the Amount of:

General Fund:	\$66,943.28
SCHMIT:	\$ 5,703.94
TOTAL:	\$72,647.22

6.5 Review Four CalPERS Annual Valuation Reports as of June 30, 2019 (Classic & PEPRA Safety and Miscellaneous Plans)

On motion of Director Campbell seconded by Director Parker Approve Consent Calendar Items 6.1 through 6.5 was approved by the following vote:

AYES:	Campbell, Harmon, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

7. Action Item

7.1 Post-Employment Healthcare Benefits for Local 3577 Represented Unit and Chief Officers. Discussion/Action

Item 7.1 was moved to discussion prior to Closed Session Item 2.1.

7.2 Approve the Memorandum of Understanding with the Chief Officers for July 1, 2020 through June 30, 2021, Discussion/Action

Chief Kovacs stated that the Final Memorandum of Understanding (MOU) with the Chief Officers and Scotts Valley Firefighters I.A.F.F Local 3577 have been completed and requires approval by motion.

On motion of Director Pisciotta seconded by Director Harmon Approve the Memorandum of Understanding with the Chief Officers for July 1, 2020 Through June 30, 2021 was approved by the following vote:

AYES:	Campbell, Harmon, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

7.3 Approve the Memorandum of Understanding with the Scotts Valley Firefighters I.A.F.F. Local 3577 for July 1, 2020 through June 30, 2021, Discussion/Action

SCOTTS VALLEY FIRE PROTECTION DISTRICT
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On motion of Director Patterson seconded by Director Pisciotta *Approve the Memorandum of Understanding with the Scotts Valley Firefighters I.A.F.F. Local 3577 for July 1, 2020 Through June 30, 2021* was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

7.4 Adoption of a Revised Publicly Available Pay Schedule per Government Code §20636, Discussion/Action

Chief Kovacs stated that the Publicly Available Pay Schedule has been revised to reflect the current MOUs and will be posted on the SVFPD website as required.

On motion of Director Parker seconded by Director Harmon *Adopt the Revised Publicly Available Pay Schedule per Government Code §20636* was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

7.5 Approved Revised Policy 1608: Reserve Guidelines, Discussion/Action

Chief Kovacs explained that Policy 1608 has been revised to reflect the minimum amount necessary to fund the change in Post-Employment Healthcare Benefits discussed earlier in the meeting. The \$200K for Emergency Reserves has been reallocated for Post-Employment Healthcare Benefits with the minimum amount of \$155K. Language was also added for Reserve levels above the minimum amounts should be used to prepay existing debt, with priority given to prefund the California Employers' Retiree Benefits Trust (CERBT) for Post-Employment Healthcare and the California Employers' Pension Prefunding Trust (CEPPT) and/or paying down the CalPERS Unfunded Accrued Liability (UAL). Establishing the CalPERS Trusts will be discussed in the following Action Items.

The Board discussed the changes to Policy 1608 and since the Finance Committee had not reviewed the changes, Item 7.5 was moved to the October Board Meeting pending Finance Committee review. No action was taken.

7.6 Adopt Resolution 2020-9: Resolution Approving Agreement to Prefund Other Post-Employment Benefits, Discussion/Action

Chief Kovacs stated that the documents included in the Board Packet are required by CalPERS to establish Trusts to prefund Other Post-Employment Benefits and Defined Benefit Pension Plans. Resolution 2020-9 and 2020-10 are only to establish the Trusts. CalPERS does not have any specific funding requirements so future funding will be determined by the Board

On motion of Director Harmon seconded by Director Campbell *Adopt Resolution 2020-9: Resolution Approving Agreement to Prefund Other Post-Employment Benefits* was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

7.7 Adopt Resolution 2020-10: Resolution Approving the Agreement to Prefund the California Employer Contribution to a Defined Benefit Pension Plan, Discussion/Action

On motion of Director Parker seconded by Director Pisciotta *Adopt Resolution 2020-10: Approving the Agreement to Prefund the California Employers Contribution to a Defined Benefit Pension Plan* was approved by the following vote:

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting September 9, 2020

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta
NOES: None
ABSENT: None
ABSTAIN: None

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

8.1 Board of Directors Report – Directors

President Pisciotta reported that the monthly Finance Committee met and reviewed the Budget.

Director Parker reported that he and Director Harmon revised the previous Fire Chief Recruitment for an internal recruitment process.

Director Patterson reported that the Scotts Valley General Planning Meeting will meet next month.

9.2 Administrative Report – Chief Officers

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

- The Interagency Committee completed a road map for development within the Scotts Valley City Limits. The document will be posted on the Scotts Valley Water District's website and will include links to the various Agencies for building requirements.
- At this time, the CZU Lightning Complex Fire has burned 86,500 acres, 83% contained, destroyed 925 residences and the Incident Management will be transitioned back to the Santa Cruz/San Mateo Unit.
- From the start of the CZU Lightning Complex Fire, the SVFPD has provide two Engines, a Strike Team Leader (Battalion Chief McNeil/Theilen), Damage Inspection (Captain Vandervoort) and a Fireline Medic (Captain LoFranco/Engineer Rothweiler). Of the 3 SVFPD Shifts, 2 have been staffed for the last 25 days.
- Since this morning, 14,000 Firefighters have been assigned to 28 major fires, which have burned 2.5 million acres and has destroyed 3,700 structures. This is the largest fire season to date.

Director Parker and the Board thanked staff for the tremendous effort working the fire and Staffing the SVFPD.

9. Correspondence – Information

9.1 Thank You Note to A-Shift – Sonia O'Brien

9.2 Thank You Note to B-Shift – Suzanna Garden

9.3 Thank You Note – Gavin Pouw

9.4 Thank You Drawing

The Board received and filed the correspondence.

10. Request for Future Agenda Items

None

11. Adjournment

The meeting was adjourned at 7:22 p.m.

ATTEST

Daron Pisciotta
Board President

Steve M. Kovacs
Board Secretary



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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MINUTES OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT BOARD OF DIRECTORS SPECIAL MEETING OF September 25, 2020

1. Call to Order

A Special Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Friday, September 25, 2020, at the SVFPD Main Fire Station, 7 Erba Lane, Scotts Valley. President Pisciotta called the meeting to order at 6:13 p.m.

1.1 Roll Call

Directors Present:

Directors, Campbell, Harmon, Parker, Patterson, and Pisciotta

Directors Absent:

None

Staff:

Battalion Chief Ron Whittle

2. Public Comment (GC §54954.3)

None

3. Closed Session: Government Code §54957

3.1 Public Employee Appointment/Public Employment

Title: Fire Chief

At 6:14 p.m., President Pisciotta announced that the Board would be going into Closed Session for Item 3.1.

4. Open Session: Government Code §54957.1

4.1 Report on Closed Session

At 7:37 p.m., President Pisciotta reported that the Board discussed the Fire Chief Appointment Process and made the following motion:

On motion of Director Patterson seconded by Director Harmon to *Make a Conditional Offer to Battalion Chief Ron Whittle for the Position of Fire Chief Pending Successful Contract Negotiations* was approved by the following vote:

AYES: Campbell, Harmon, Parker, Patterson and Pisciotta

NOES: None

ABSENT: None

ABSTAIN: None

5. Adjournment

The meeting was adjourned at 7:41 p.m.

ATTEST

Daron Pisciotta
Board President

Steve M. Kovacs
Board Secretary

		Date Range from 08/21/2020 To 10/19/2020	
PAYROLL	ACCT.#	PP	TOTALS
Regular Pay	51000	19	\$125,528.91
		20	\$154,403.73
Overtime	51005	19	\$144,994.44
		20	\$142,911.35
Regular Pay, Extra Help (PCF)	51010	19	\$20,720.25
		20	\$0.00
Regular Pay, Sick Leave	51015	19	\$0.00
		20	\$0.00
Regular Callback Pay	51025	19	\$59,262.27
		20	\$58,279.68
Holiday Pay	51035	19	\$0.00
		20	\$0.00
Differential Pay	51040	19	\$6,727.74
		20	\$8,145.92
Regular Pay, Sick Leave Reserve	55020	19	\$0.00
		20	\$0.00
Misc Benefits, Vacation Payoff	55021	19	\$1,798.07
		20	\$1,798.07
Directors Fees	62327	19	\$0.00
		20	\$0.00
TOTAL PAYROLL			\$724,570.43

CLAIMS BY GL OBJ

10/01/2020

Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)

Claim Date	Vendor	Message	Amount
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GL Key: 685010**GL Obj: 53010 Group Health - Dental Insurance**

09/15/2020	CALPERS RETIREMENT SYSTEM	Health Ins.- 10/2020	\$46,796.50
09/15/2020	HEALTH CARE EMPLOYEES/EMPLOYER DENTAL TRUST	Dental Ins.- 10/2020	\$5,006.41
09/23/2020	MICHAEL MCMURRY	Retiree Health Ins.- 10/2020	\$1,583.36
09/23/2020	TIM THEILEN	Retiree Health Ins. - 10/2020	\$674.35
09/23/2020	MIKE PHINN	Retiree Health Ins.- 10/2020	\$426.51
09/23/2020	SAL LOFRANCO	Retiree Health Ins.- 10/2020	\$542.70
09/23/2020	MIKE BIDDLE	Retiree Health Ins.- 10/2020	\$983.29
SubObject Total			\$56,013.12

GL Obj: 61110 Clothing & Personal Supplies

09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Summit Uniforms- Replacement Duty Boots- Whittle	\$151.86
09/09/2020	ANDREW LOFRANCO	Boot Replacement Reimbursement- LoFranco	\$329.07
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	California Coast Uniform- Duty Boots- Vandervoort	\$455.86
		Redback Boots- Duty Boots- Whittle	
SubObject Total			\$936.79

GL Obj: 61125 Uniform Clothing Allowance

09/09/2020	SUMMIT UNIFORMS	Uniform Replacement, Pants/Shirts- Bridges, M.	\$443.56
SubObject Total			\$443.56

GL Obj: 61221 Telephone & Telegraph

09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Comcast- VF1 Internet & Phones 7/15-8/19/20	\$1,170.24
		Comcast- VF2 Internet & Phones 7/21-8/20/20	
		Verizon- Cellular 7/5-8/4/2020	
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	VF2 Internet & Phones 8/21-9/20/2020	\$1,156.56
		VF1 Internet & Phones 8/20-9/19/2020	
		Verizon- Cellular 8/5-9/4/2020	
SubObject Total			\$2,326.80

GL Obj: 61310 Food

09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Round Table Pizza- Station Coverage Dinner	\$328.12
		Costco- Water	
		Safeway- Captain Interview Refreshment	
		Islands- XCZ-2328-C Dinner	
		Burger IM- XCZ-2328-C Dinner	
		Ben Lomond Market- Strike Team Food	
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Costco- Water/Strike Team Coffee	\$475.14
		7/11- Replacement USB Cord	
		Mountain Mikes Pizza- ST 2330-C Meal	
		Taqueria Los Gallos- ST 2330-C Meal	
		Malones- ST 2330-C Meal	

CLAIMS BY GL OBJ

10/01/2020

*Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)*

Claim Date	Vendor	Message	Amount
		Mountain Mikes- VF2 Engine Repair Meal	
		SubObject Total	\$803.26
	GL Obj: 61425 Household Expense		
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Costco- Station Supplies	\$356.08
		Quill- Clorox Wipes	
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Costco- Station Supplies	\$538.61
		Costco- Station Supplies	
		Quill- Station Supplies	
		Costco- Station Supplies	
		SubObject Total	\$894.69
	GL Obj: 61720 Maintenance - Mobile Equipment		
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Amsoil- Lube for E2512, HM2560	\$1,088.84
		Napa Auto Parts- U2590 Air Filter	
		Amazon- U2595 Tail Light Replacement	
		O'Reilly- Blue Def, U2590 Headlights	
		Amazon- Hosebed Latches, Tranverse Covers	
09/02/2020	GOLDEN STATE EMERGENCY VEHICLE SERVICE	WT2550 Alignment AWS Servicing	\$1,515.90
09/02/2020	GOLDEN STATE EMERGENCY VEHICLE SERVICE	WT2550 Rear Brake Replacement	\$1,235.14
09/02/2020	GOLDEN STATE EMERGENCY VEHICLE SERVICE	E2512 Washer Seal Power Steering Reservoir	\$21.59
09/09/2020	NAPA AUTO PARTS	Cabin Air Filter, Truck Wash, Radiator Cap	\$168.48
09/15/2020	GOLDEN STATE EMERGENCY VEHICLE SERVICE	2560 Air Filter	\$127.18
09/23/2020	LACKEY'S MOBILE SERVICE	E2512 Turbo Install	\$315.00
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Amsoil- Lube for Apparatus	\$794.38
		Batteries Plus- E2511 Batteries	
		Napa Auto Parts- U2590 Tail Lights	
		SubObject Total	\$5,266.51
	GL Obj: 61725 Maintenance - Office Equipment		
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Zoom- Monthly Subscription Fee	\$78.63
		Amazon- External Hard Drive	
09/02/2020	PAGODA TECHNOLOGIES INC.	Trouble Shooting Report	\$50.00
09/02/2020	PAGODA TECHNOLOGIES INC.	Computer Management- 9/2020	\$1,192.12
09/23/2020	PAGODA TECHNOLOGIES INC.	Sonic Wall Renewal	\$281.42
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	UPS Store- Alarm Plan Shipping	\$170.51
		Quill- 305X Toner	
		Network Solutions- SVFD Website Domain	
		SubObject Total	\$1,772.68

CLAIMS BY GL OBJ

10/01/2020

Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)

Claim Date	Vendor	Message	Amount
GL Obj: 61730 Maintenance - Other Equipment			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Superior Signal Company- Parts for Smoke Maker	\$384.56
		UPS Store- Shipping for Headsets	
		Costco- Batteries	
		Power Works- BK Radio Parts	
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	UPS Store- Shipping for Posichuk	\$636.98
		David Clark- Headset Repairs	
		Zoom- Monthly Subscription	
SubObject Total			\$1,021.54
GL Obj: 61845 Maintenance - Buildings & Grounds			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Santa Cruz County Landfill Buena Vista- Dump Fees	\$200.85
		Home Depot- VF2 Flooring Trim	
		Rayne of SC- VF1 Monthly Water Softener	
09/02/2020	SCARBOROUGH LUMBER & BUILDING	Pointed Stake, Bucket	\$87.59
09/09/2020	CHRIS STUBENDORFF	Concrete Pumper Rental Reimbursement	\$325.00
09/09/2020	JORGE NAVARRO	Concrete Pad Labor, Rebar Materials	\$1,618.59
09/15/2020	WESTERN EXTERMINATOR COMPANY	VF2 Bug Service- 8/2020	\$57.50
09/15/2020	WESTERN EXTERMINATOR COMPANY	VF1 Bug Service- 8/2020	\$57.50
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Las Animas Concrete- VF1 Generator Pad Concrete	\$903.86
SubObject Total			\$3,250.89
GL Obj: 61920 Medical Supplies			
09/09/2020	BOUND TREE MEDICAL, LLC	Gloves, Glucometer Strips, BP Cuff, Stethoscope, Doty Belts, Mesh Bags	\$2,525.92
SubObject Total			\$2,525.92
GL Obj: 62219 PC Software			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Avenza Systems Map- iPad Mapping Subscription	\$720.72
SubObject Total			\$720.72
GL Obj: 62223 Office Supplies			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	BW Printworks- Shift Calendars 2021	\$420.08
		UPS Store- Sprinkler Plan Shipping	
		UPS Store- Alarm Plan Shipping	
		Amazon- Laminating Pouches	
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Staples- Hanging Folder Tabs	\$2.62
SubObject Total			\$422.70

CLAIMS BY GL OBJ

10/01/2020

*Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)*

Claim Date	Vendor	Message	Amount
GL Obj: 62381 Professional & Specialized Services			
09/02/2020	JACKSON LEWIS	Legal Services	\$2,072.00
09/02/2020	CSG CONSULTANTS, INC.	Fire Plan Review- 15 Tramell Way #13062 5615 SV Drive 175 Firehouse Lane 618 1/2 Grace Wat 555 Hacienda Remodel	\$300.00
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$3,079.50
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$605.00
09/02/2020	VOYA NATIONAL TRUST COMPANY	Voya Loan Program- (Employee paid) 4/1-6/30/20	\$187.50
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$24.50
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$3,880.00
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$44.21
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$1,596.00
09/02/2020	LIEBERT CASSIDY WHITMORE	Legal Services	\$4,502.00
09/23/2020	CSG CONSULTANTS, INC.	Fire Plan Review- 115 Brook Knoll, 210 Brook Knoll, 552 Bean Creek Road #90, 4 Victor Square	\$300.00
09/23/2020	SANTA CRUZ COUNTY CLERK - ELECTIONS	Non-Election Fees	\$175.00
09/23/2020	JACKSON LEWIS	Legal Services	\$2,257.00
SubObject Total			\$19,022.71
GL Obj: 62715 Small Tools & Equipment			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	PMI- Rescue Litter Wheel	\$1,554.81
SubObject Total			\$1,554.81
GL Obj: 62888 District Special Expense			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Robotronics- Pub Ed Pluggie Coloring Books	\$922.70
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Modern Marketing- Pub Ed Stickers	
		Amazon- Face Masks	\$102.03
		Amazon- Face Masks	
SubObject Total			\$1,024.73
GL Obj: 62890 Subscriptions			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Amazon- Annual Prime Subscription 20/21 FY	\$130.60
SubObject Total			\$130.60

CLAIMS BY GL OBJ

10/01/2020

*Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)*

Claim Date	Vendor	Message	Amount
GL Obj: 62914 Education & Training			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Paypal- Castros Fire Sim Lab Webinar	\$445.00
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Fire Instruction- Instructor 1 Class- LoFranco Hyatt Place Sacramento- Plan Examiner 1A Lodging- Vandervoort CA EMS Authority- Paramedic License Renewal- Todd	\$710.76
SubObject Total			\$1,155.76
GL Obj: 62920 Gas, Oil & Fuel			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Loves- U2590 Fuel	\$661.54
		Valero- Strike Team Fuel	
		Store 879- Strike Team Fuel	
		Chevron- Strike Team Fuel	
		Kettkeman City Mobile- Strike Team Fuel	
		Shell- Strike Team Fuel	
		Pilot- E2510 Transport Fuel	
09/02/2020	WESTERN STATE OIL COMPANY	Fuel/Diesel	\$1,677.73
09/23/2020	WESTERN STATE OIL COMPANY	Fuel/Diesel	\$1,208.37
SubObject Total			\$3,547.64
GL Obj: 63070 Utilities			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Scotts Valley Water District- VF2 RW Service 7/1-7/31/2020	\$441.10
		Greenwaste- VF1 Trash & Recycling 7/1-7/31/2020	
09/09/2020	SCOTT'S VALLEY WATER DISTRICT	VF2 Water 6/5-8/4/2020	\$327.09
09/09/2020	SCOTT'S VALLEY WATER DISTRICT	VF2 RW Service 8/1-8/31/2020	\$170.01
09/09/2020	SCOTT'S VALLEY WATER DISTRICT	VF1 Water 6/5-8/4/2020	\$448.07
09/15/2020	PG&E	VF1 Electric 8/4-9/2/2020	\$867.30
09/15/2020	PG&E	VF1 Gas- 8/5-9/3/2020	\$59.60
09/15/2020	PG&E	VF1 Electric 8/4-9/2/2020	\$1,260.28
09/15/2020	PG&E	VF2 Gas 8/5-9/3/2020	\$64.18
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Greenwaste- VF1 Trash & Recycling 8/1-8/31/2020	\$272.04
SubObject Total			\$3,909.67
Index Total			\$106,745.10

CLAIMS BY GL OBJ

10/01/2020

*Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)*

Claim Date	Vendor	Message	Amount
GL Key: 685030			
GL Obj: 61845 Maintenance- Structure & Grounds			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Home Depot- VF1 Station Flooring	\$1,755.35
SubObject Total			\$1,755.35
GL Obj: 62888 District Special Expense			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Home Depot- VF1 Dishwasher	\$848.09
SubObject Total			\$848.09
GL Obj: 86110 Structures & Improvements			
09/15/2020	STATE ELECTRIC GENERATOR	VF1 Generator/Install	\$26,895.11
SubObject Total			\$26,895.11
Index Total			\$29,498.55

CLAIMS BY GL OBJ

10/01/2020

*Filter: (Claim Date is between 09/01/2020
and 09/30/2020)(Pre-Approved Excluded)*

Claim Date	Vendor	Message	Amount
GL Key: 685040			
GL Obj: 61221 Telephone & Telegraph			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Verizon- SCHMIT Cellular 7/5-8/4/2020	\$38.24
09/30/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Verizon- SCHMIT Cellular 8/5-9/4/2020	\$38.24
SubObject Total			\$76.48
GL Obj: 62920 Fuel			
09/01/2020	U.S. BANK CORPORATE PAYMENT SYSTEM	Valero- HM2560 Fuel	\$46.38
SubObject Total			\$46.38
Index Total			\$122.86
Grand Total			\$136,366.51



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: October 14, 2020
To: Board of Directors
From: Steve M. Kovacs, Fire Chief
Subject: Item 6.5 – Adoption of Policies

Staff Report

Recommendation

Adopt Policies 504, 603, 1505, 1505-1, 1505-2, 1703, 1705, 1706 and 1708.

Discussion

At the August 12, 2020 Board Meeting, the above policies were adopted by the members present (3). Based on Policy 2100, Policies must be adopted by a 2/3 vote of the entire Board (4 of the 5 Board Members). Only three Board Members were present at the August meeting.

Background/Analysis

As per Policy 101: "Policies that affect wages, benefits or other terms and conditions of employment will require a meet and confer process as specified in the California Government Code prior to presentation for Board approval." This process has been completed.

Alternatives

None

Fiscal Impact


None

Attachments

Policy #	Subject	Policy #	Subject
504	Duty Chief Statement	1703	Battalion Chief Job Description
603	Acting Company Officers	1705	Fire Captain Job Description
1505	Career Development Guide	1706	Engineer Job Description
1505-1	Attachment	1708	Firefighter Job Description
1505-2	Attachment		

Board of Directors

Robert Campbell Edward Harmon Joseph Parker Russ Patterson Daron Pisciotta

Scotts Valley Fire Protection District	
POLICY: 504	SUBJECT: Duty Chief Statement
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

Policy 504: Duty Chief Duty Statement


The duty chief is a chief officer or acting chief officer who is available for 24-hour emergency response. Normally, the three assigned chiefs will rotate duty coverage on a 24-hour shift basis. This policy addresses the parameters for duty chief coverage.

Availability

1. The duty chief will be available for incident responses on an initial attack basis for the duration of the coverage period. The typical coverage will be from within the District, but a 15-minute radius will be acceptable.
2. The duty chief will respond to all structure and wildland fires, any large-scale incident, and upon request of the company officer. He/she will also be available to offer guidance to company officers.
3. Communication and coordination with the company officers will be an integral part of duty chief coverage.
4. Under unique circumstances due to unusual episodes of long term coverage with limited relief, the fire chief may approve coverage from home by a qualified duty chief.
5. Response out of the District based on a mutual aid request is allowed as long as there is an assurance of duty chief coverage for the District.

Time Off for Chief Officers

1. Vacation time will be accrued as per the applicable employment agreement. Requests for vacation must be approved by the fire chief.
2. When a chief officer takes vacation time, it will be with the understanding that he/she will not have responsibility for duty coverage.
3. Coordination of time off will be essential to assure that there is adequate duty chief officer coverage with some level of backup to be determined as acceptable by the fire chief.

Scotts Valley Fire Protection District	
POLICY: 504	SUBJECT: Duty Chief Duty Statement

Selection of a duty chief to cover for absences will be done consistent with policies and procedures regarding call back.

Incident responses by chief officers outside of normal work hours are compensated at time and one half consistent with the current labor agreement.

Acting Battalion Chief-Out of Class


Scotts Valley Fire Protection District encourages all non-probationary Captains to become certified as an Acting Battalion Chief. The District is obligated to prepare its supervisors for the responsibilities of the position, and the Acting Battalion Chief Certification Program is the official means by which this will be accomplished. Benefits for the successful Acting Battalion Chief candidate are the ability to act *Out Of Class* as an Acting Battalion Chief and to assist in preparation for future career possibilities. Benefits for the District are that it will provide career track training for our future leaders, and have a certified group of Acting Battalion Chiefs with which to fill needed slots in the future. Only an Acting Battalion Chief qualified individual will be able to fill short-term *out of class* slots in the daily staffing schedule.

An Acting Battalion Chief Task Book has been developed to guide the prospective Acting Battalion Chief through the certification process. Qualified Captains can initiate the Task Book by consulting with their Battalion Chief and the Training Chief. The process is intended to be a self-paced program with a one-year completion requirement. Depending upon the category and their own qualifications, the candidate's Battalion Chief, the Training Chief, or the Fire Chief may sign off in the task book.

Every effort will be made by the Fire District, including the individual's Battalion Chief, to provide training, instruction, and practice sessions necessary to successfully meet the District's requirements for certification as an Acting Battalion Chief. Training opportunities (simulations, classroom instruction, drills, and scenarios) will be provided to facilitate the necessary skills and knowledge to provide competency.

The Acting Battalion Chief Task book is intended to prepare candidates with the knowledge and ability to supervise Captains and their companies in emergency and non-emergency situations. The Task book is a compilation of numerous manipulative tests (e.g. simulations and actual incidents), written exams, etc. The Acting Battalion Chief Task book will be maintained and updated as necessary by the District Training Officer.

The candidate's shift Battalion Chief will provide most of the training, instruction, and practice sessions necessary for successful completion of the task book and testing process. Upon successful completion of the Acting Battalion Chief Task Book, the staffing program

Scotts Valley Fire Protection District	
POLICY: 504	SUBJECT: Duty Chief Duty Statement

profile of the candidate will be amended to include Acting Battalion Chief certification, and the candidate will be able to act as a Battalion Chief when necessary.

Upon successful completion of Acting Battalion Chief certification, the qualified Acting Battalion Chief must occasionally re-train in the various areas covered in order to maintain competency in those areas. Working in *Out of Class* assignments as an Acting Battalion Chief is the best way to do this, but may not always be available. Examples include “trading seats”, similar practice, or reviewing current Acting Battalion Chief Task Book Skills.

Captains who meet the basic requirements may be an Acting Duty Chief:

- Completion of a minimum of two years’ experience as a Captain (Line/Shift) in the Scotts Valley Fire Protection District.
- Meet educational requirements for Captain Step 3 specified in Policy 1705
- Successful completion of a District administered test.
- Successful completion of 5 or more shifts of performance in the role of a Battalion Chief under the oversight of the shift battalion.
- Completed and signed Acting Battalion Chief Task Book
- Meet above outlined requirements


Selection of acting duty chiefs will be made by the fire chief.

Compensation

Acting duty chiefs who are filling in during periods not normally assigned to cover vacation, sick leave, industrial disability leave or other absences will be compensated using the following formula:


(Battalion Chief 1 hourly rate minus Captain 2 hourly rate = differential paid.)

The acting battalion chief trainee will only do ride-along hours while on duty, performed without additional compensation, and is voluntary.

Scotts Valley Fire Protection District	
POLICY: 603	SUBJECT: Acting Company Officers
DATE APPROVED: 10/14/2020	
BOARD CHAIR: _____	FIRE CHIEF: _____

Policy 603: Acting Company Officers

1. Acting Company Officers shall have the authority of, and be required to enforce, the regulations and orders of the position they are filling, and will be charged with the knowledge, and will be accountable for, the execution of the duties of such rank.
2. Acting Company Officers shall be accorded all the privileges pertaining to the office in which they are acting and shall be obeyed and respected accordingly.
3. No Acting Company Officer shall annul or alter the standing orders of the regular officer without the specific authority of a superior officer.
4. Regularly appointed officers shall have precedence of command over those acting in the same rank.
5. Any ride-along hours while on duty, shall be performed without additional compensation and is voluntary.

Scotts Valley Fire Protection District	
POLICY: 1505	SUBJECT: Career Development Guide
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

Policy 1505: Career Development Guide

The Scotts Valley Fire Protection District endeavors to have the best-trained personnel possible. The *Career Development Guide (charts attached)* outlines specific requirements for each position as identified. These requirements are a combination of education, training, skills, and experience that are achieved through in-house training and outside education.

Attachment 1505-1 Career Development Guide (2020)

Attachment 1505-2 Officers Career Development Guide (2020)

All employees holding the rank of Captain Step 1, 2, 3 or Engineer Step 3 on January 11, 2017, and who have a California State Fire Marshal Company Officer Certification on file with the District, are exempt from the Company Officer 2 series classes, as outlined in the Officers Career Development Guide.

All employees holding the rank of Captain Step 3 on January 11, 2017, may substitute successful completion of the equivalent Chief Officer 2 series class for the new Chief Fire Officer 3 series class as specified here:

Fire Management 2A for Chief Fire Officer 3A (Human Resources/Relations)

Fire Management 2B for Chief Fire Officer 3B (Budget and Financial Management)

Fire Management 2C for Chief Fire Officer 3C (Administration and Labor Relations)

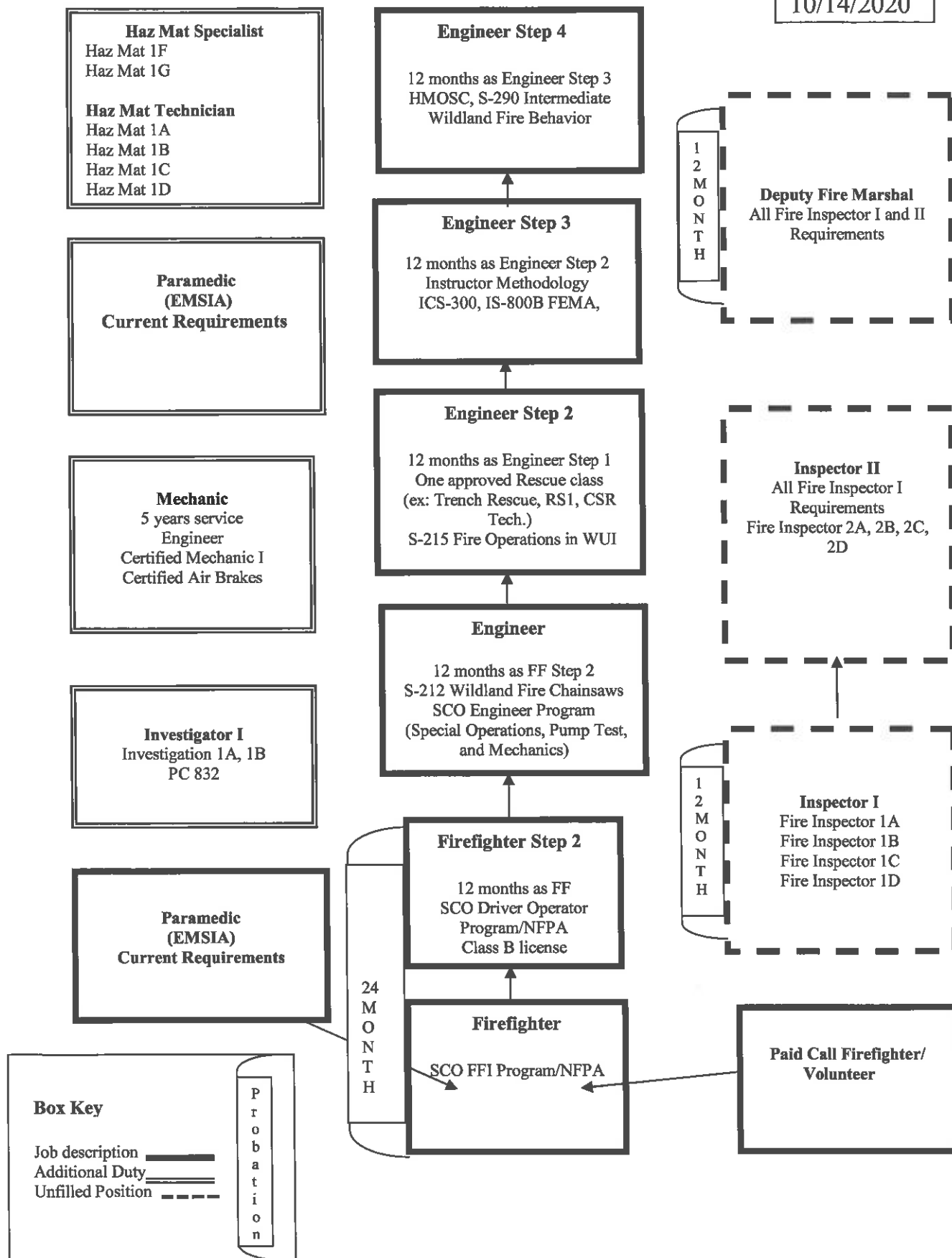
There is no Chief Officer 2 series equivalent for Chief Fire Officer 3D

All employees holding the rank of Battalion Chief 3 on January 11, 2017, are exempt from the Chief Fire Officer 3 series classes, as outlined in the Officers Career Development Guide.

Scotts Valley Fire Protection District

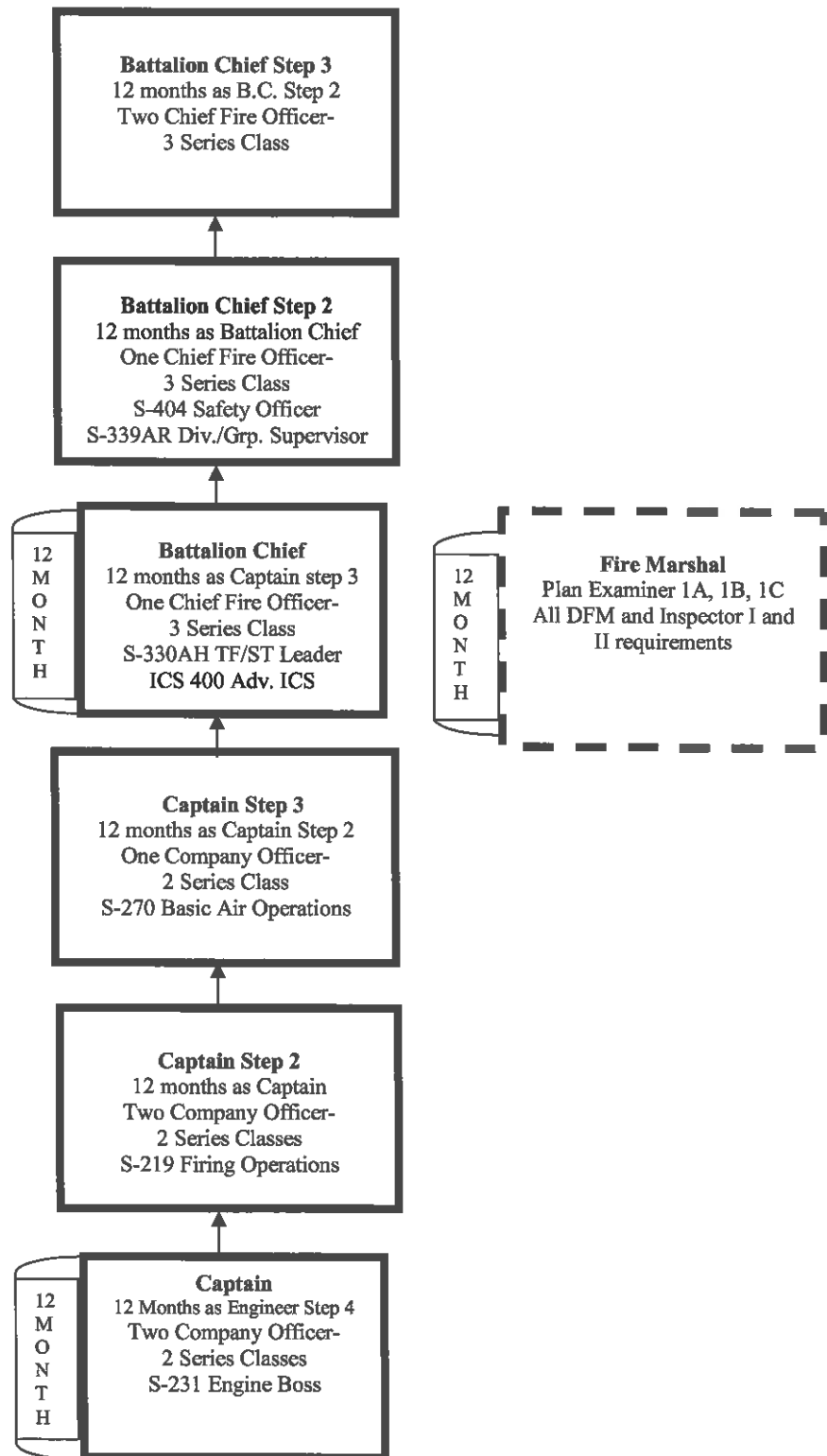
Career Development Guide


10/14/2020



Scotts Valley Fire Protection District Officers Career Development Guide

10/14/2020



Scotts Valley Fire Protection District	
POLICY: 1703	SUBJECT: Battalion Chief Job Description
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

BATTALION CHIEF

Job Description

REPORTS TO: Fire Chief

SUPERVISES: Fire Captains

BASIC FUNCTION:


The Battalion Chief is an administrative staff position that performs supervisory and command functions as assigned. Under the supervision and direction of the Fire Chief, the Battalion Chief is to provide responsible and technical assistance to the Fire Chief. He/she will manage various district divisions and programs and ensure that the mission and goals of the District are carried out. He/she shall exercise and promote effective communication and leadership skills. The Battalion Chief shall perform administrative, suppression, prevention and related duties as assigned. The Battalion Chief shall direct emergency scene activities, supervise and develop company officers and evaluate performance of employees. The Battalion Chief will ensure that personnel are trained in the proper fire service techniques and operations and oversee the maintenance of the Fire District facilities and apparatus. The Battalion Chief will create staff reports and written communications and manage such collateral duties as: hazardous materials response, fire suppression operations, training, disaster planning, mutual aid, emergency medical services, facilities, fire prevention, fire investigations, apparatus, public education, communications and other related duties as may be required.

The Battalion Chief will provide Duty Chief coverage on a shift basis. A 15-minute response time criteria is required.

BATTALION CHIEF Step 1

CERTIFICATIONS/ QUALIFICATIONS:

- Shall have worked a minimum of one year as a Captain Step 3 with the Scotts Valley Fire Protection District and met all requirements for Captain Step 3.
- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before the next step increase: One Chief Fire Officer 3 series class, AH-330 (Strike Team/Task Force Leader All-Hazards), and ICS 400 (Advanced Incident Command System).

Scotts Valley Fire Protection District	
POLICY: 1703	SUBJECT: Battalion Chief Job Description

- Must possess and maintain a Class C California Driver License.
- Shall have satisfactorily met probationary obligations through periodic employee evaluations as outlined in the Policies and Procedures prior to moving to Battalion Chief Step 2.

BATTALION CHIEF Step 2

CERTIFICATIONS/QUALIFICATIONS:

- Shall have worked a minimum of one year as a Battalion Chief Step 1 with the Scotts Valley Fire Protection District and met all requirements for Battalion Chief Step 1.
- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before the next step increase: One additional Chief Fire Officer 3 series class, S-339AR (Division/Group Supervisor All-Risk), and S-404 Safety Officer.


BATTALION CHIEF Step 3

CERTIFICATIONS/QUALIFICATIONS:

- Shall have worked a minimum of one year as a Battalion Chief Step 2 with the Scotts Valley Fire Protection District and met all requirements for Battalion Chief Step 2.
- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before the next step increase: Two additional Chief Fire Officer 3 series classes.

DESIREABLE QUALIFICATIONS:

- College degree in Fire Protection technology, Public Administration or related field.

Scotts Valley Fire Protection District	
POLICY: 1705	SUBJECT: Fire Captain Job Description
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

FIRE CAPTAIN

Job Description

REPORTS TO: Chief Officer

SUPERVISES: Firefighters and Engineers

BASIC FUNCTION:

The Fire Captain performs supervisory and technical firefighting and fire prevention duties on an assigned shift, evaluates performance of employees, and directs the activities of a fire company at the station, at the scene of an emergency and during other company activities. Will also perform related duties as required within any assigned Division.


Primary duties will be to:

- Take command of assigned fire stations, organize work schedules, assign personnel, and review job performances;
- Supervise the maintenance and use of all fire apparatus and other emergency equipment;
- Drill firefighters in latest firefighting techniques, including pre-plan fire extinguishment of key structures and areas in the Fire District;
- Fill out reports on all incidents;
- Lead and direct firefighters at fire sites or under emergency conditions;
- Dispatch fire apparatus;
- Supervise periodic maintenance and performance test of equipment;
- Supervise personnel in fire prevention company inspections within key areas of the Fire District;
- Conduct Fire Safety Equipment and other district training programs.
- Perform related work as required.

CAPTAIN Step 1

CERTIFICATIONS/QUALIFICATIONS:

- Shall have worked a minimum of one year as an *Engineer Step 4* with the Scotts Valley Fire Protection District and met all requirements for *Engineer Step 4*.

Scotts Valley Fire Protection District	
POLICY: 1705	SUBJECT: Fire Captain Job Description

- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before next step increase: Two Company Officer 2 series classes and S-231 (Engine Boss).
- Must possess and maintain a valid Class B California Drivers License.
- Maintain a current EMT certification or better.
- Shall have satisfactorily met probationary obligations through periodic employee evaluations as outlined in the Policies and Procedures prior to moving to *Captain Step 2*.

CAPTAIN Step 2

CERTIFICATIONS/QUALIFICATIONS:

- Shall have worked a minimum of one year as a *Captain Step 1* with the Scotts Valley Fire Protection District and met all the requirements for *Captain Step 1*.
- Shall complete and have on record with the Training Officer, the following courses as outlined in the Career Development Guide before next step increase: Two additional Company Officer 2 series classes and S-219 (Firing Operations).


CAPTAIN Step 3

CERTIFICATIONS/QUALIFICATIONS:

- Shall have worked a minimum of one year as a *Captain Step 2* with the Scotts Valley Fire Protection District and meet all the requirements for *Captain Step 2*.
- Shall complete and have on record with the Training Officer, the following courses as outlined in the Career Development Guide before starting the Acting Battalion Chief Program: One additional Company Officer 2 series class and S-270 (Basic Air Operations).

DESIREABLE QUALIFICATIONS:

- College degree in Fire Protection technology or related field.

Scotts Valley Fire Protection District	
POLICY: 1706	SUBJECT: Engineer Job Description
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

ENGINEER

Job Description

REPORTS TO: Company Officer


SUPERVISES: Non-Supervisory Position

BASIC FUNCTION:

The Engineer shall, under the supervision of the officer in charge, be responsible for the condition and operation of apparatus to which they are assigned, and shall be held accountable for its readiness for service.

Primary duties will be to:

- Drive and operate apparatus in a manner consistent with safety and due regard for the welfare of the public and the district;
- Acquaint themselves with the topography, physical conditions, and other matters affecting response within the District's boundaries;
- Familiarize themselves with practices and procedures relative to water supply, fire streams, pump, motor, and other operations that will enable them to efficiently perform their duties; Respond to fire alarms, aid in the suppression of fires, operate pumper trucks, aerial trucks and other special emergency apparatus;
- Use fire hose, forcible entry tools (axes, bars, door openers, pike poles) and self-contained breathing apparatus;
- Administer first-aid, operate resuscitator and rescue equipment. Perform salvage operations with use of tarps, brooms, mops, shovels, etc;
- Maintain all fire equipment, apparatus, as well as fire stations, and station quarters. Issue fire permits;
- Assist and participate in fire prevention and public safety training programs, and departmental training programs;
- Study fire department rules and regulations, fire hazards, and fire fighting techniques; Perform other agency services such as voter registration;
- Participate in the pre-fire planning by inspecting and drawing floor plans of commercial and industrial buildings;
- May be required to respond to fire calls during non-duty hours;

Scotts Valley Fire Protection District	
POLICY: 1706	SUBJECT: Engineer Job Description

- Perform related work as required.
- Under the supervision of the Company Officer, the firefighter will be a mentor and help with training the volunteers and PCF's

ENGINEER Step 1

CERTIFICATIONS AND QUALIFICATIONS:

- Shall have worked a minimum of one year as a *Firefighter Step 2* with the Scotts Valley Fire Protection District and met all requirements for Firefighter steps.
- Shall successfully complete the SCO Engineer Program: Special Operations, Pump Test, and Mechanics.
- Must possess and maintain a valid Class B California Driver License.
- Shall complete and have on record with the Training Officer the following course as outlined in the Career Development Guide before next step increase: S-212 (Wildland Fire Chainsaws)
- Maintain a current EMT certification or better.

ENGINEER Step 2

CERTIFICATIONS AND QUALIFICATIONS:

- Shall have worked a minimum of one year as an *Engineer Step 1* with the Scotts Valley Fire Protection District and have met all the requirements for *Engineer Step 1*.
- Shall complete and have on record with the Training Officer, the following courses as outlined in the Career Development Guide before next step increase: One approved 40 hour Rescue class (Ex. Trench Rescue, Rescue Systems 1, or Confined Space Rescue Tech.) , and S-215 (Fire Operations in Wildland/Urban Interface).
- Must possess and maintain a valid Class B California Drivers License.
- Maintain a current EMT certification or better.

ENGINEER Step 3


CERTIFICATIONS AND QUALIFICATIONS:

- Shall have worked a minimum of one year as an *Engineer Step 2* with the Scotts Valley Fire Protection District and have met all the requirements for *Engineer Step 2*.
- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before next step increase: Instructor Methodology, IS-800B National Response Framework (FEMA-Online), and ICS-300 (Intermediate ICS).

ENGINEER Step 4

CERTIFICATIONS AND QUALIFICATIONS:

- Shall have worked a minimum of one year as an *Engineer Step 3* with the Scotts Valley Fire Protection District and have met all requirements for *Engineer Step 3*.
- Shall complete and have on record with the Training Officer the following courses as outlined in the Career Development Guide before starting the Acting Captain Program: Hazardous Materials On-Scene Commander, S-290 (Intermediate Wildland Fire Behavior).

Scotts Valley Fire Protection District	
POLICY: 1708	SBUJECT: Firefighter Job Description
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

FIREFIGHTER

Job Description

REPORTS TO: Company Officer

SUPERVISES: Non-Supervisory Position

BASIC FUNCTION:


Under supervision, a Firefighter:

- Protects life and property from fire and destruction by natural or manmade causes;
- Conducts rescue and salvage operations;
- Trains for and participates in varied firefighting and rescuing duties, fire protection inspection, equipment operation and maintenance;
- Responds to alarms of fire or other emergencies with an engine, ladder or squad company; Lays and connects hoses, holds nozzles and directs water, raises and climbs ladders;
- Uses chemical extinguishers, bars, hooks, etc;
- Ventilates burning buildings, removes persons from danger, administers emergency medical care, operates resuscitation equipment;
- Performs salvage operations, participates in drills, inspects fire protection systems, conducts fire prevention inspections, and participates in public safety and department training programs;
- Enforces codes and ordinances;
- Performs general maintenance and clean-up work in upkeep of apparatus, equipment furnishings and structures of the Fire District;
- Performs related work as required.
- Under the supervision of the Company Officer, the firefighter will be a mentor and help with training the volunteers and PCF's

FIREFIGHTER Step 1

CERTIFICATIONS AND QUALIFICATIONS:

- The following courses will be on file with the Training Officer prior to date of hire:
 1. Auto Extrication (F-STEP)
 2. Fire Fighter Survival (F-STEP)

Scotts Valley Fire Protection District	
POLICY: 1708	SUBJECT: Firefighter Job Description

3. Confined Space Rescue Awareness (CSTI)
 4. Hazardous Materials First Responder Operational (CSTI)
 5. I-100 Introduction to Incident Command System (FEMA-Online)
 6. IS-200b ICS for Single Resource and Initial Action Incidents (FEMA-Online)
 7. I-700.a NIMS National Response Plan (FEMA-Online)
 8. S-130 Firefighter Training (NWCG)
 9. S-131 Firefighter Training (NWCG)*
 10. S-133 Look Up, Look Down, Look Around (NWCG)*
 11. S-134 Lookouts, Communication, Escape Routes, & Safety Zones. (NWCG)*
 12. S-190 Introduction to Wildland Fire Behavior (NWCG) *not online*
 13. L-180 Human Factors in the Wildland Fire Service (NWCG)*
 14. Low Angle Rope Rescue (F-STEP)
- Shall successfully pass an SCO Firefighter I exam within the first year of probationary training.
 - Must possess and maintain a valid Class C California Drivers License.
 - Maintain a current EMT certification or better.
- *Or Cal Fire equivalent

FIREFIGHTER Step 2

CERTIFICATIONS AND QUALIFICATIONS:

- Shall have worked a minimum of one year as a *Firefighter* with the Scotts Valley Fire Protection District and met all requirements for *Firefighter*.
- Shall have successfully met all probationary obligations through periodic employee evaluations as outlined in Policies and Procedures.
- Shall successfully pass SCO Driver Operator 24 month exam, upon completion of the second year of probationary training, within a 24 month probationary period.
- Must obtain and maintain a valid Class B California Drivers License.
- Maintain a current EMT certification or better.

Dear Captain Vandervoort and SVFPD,

September 28, 2020

Enclosed is a permit application for the 18th annual Scotts Valley Haunted House. This year we will be running the last two weekends of the month, October 22-24 and 29-31.

In light of social distancing, this year's event will be an outdoor drive-through experience. Enclosed is the Safety Protocols document and a map showing the planned content, electrical cording, fire extinguishers, and water sources along the route.

Each year, the student body benefits from the creative and leadership opportunities created by the Haunted House, the community benefits from the experience, and the Leukemia and Lymphoma Society benefits from the proceeds. This year is particularly crucial, as students, charities, and communities have all been severely limited. Scotts Valley Haunted House is doing whatever possible to fill these gaps, including temporarily changing the intended audience to include families of all ages given the lack of other safe activities for children this Halloween season.

Previously, you have waived the \$330 fee generated by the permit inspection. All of us in the Haunted House and school community would greatly appreciate your consideration in allowing this waiver again.

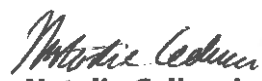
Thank-you for your continued assistance and support.



Erik Wyner
Ringleader



Greta Feague
Ringleader



Natalie Cellucci
Safety Manager



Michael Hanson
SVHS Principal

**Scotts Valley Fire Protection District
Actuarial Study of
Retiree Health Liabilities Under GASB 74/75
Valuation Date: June 30, 2020
Measurement Date: June 30, 2020
For Fiscal Year-End: June 30, 2020**

*Prepared by:
Total Compensation Systems, Inc.*

Date: September 24, 2020

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Scotts Valley Fire Protection District
Actuarial Study of Retiree Health Liabilities

PART I: EXECUTIVE SUMMARY

A. Introduction

This report was produced by Total Compensation Systems, Inc. for Scotts Valley Fire Protection District to determine the liabilities associated with its current retiree health program as of a June 30, 2020 measurement date and to provide the necessary information to determine accounting entries for the fiscal year ending June 30, 2020. This report may not be suitable for other purposes such as determining employer contributions or assessing the potential impact of changes in plan design.

Different users of this report will likely be interested in different sections of information contained within. We anticipate that the following portions may be of most interest depending on the reader:

- A high level comparison of key results from the current year to the prior year is shown on this page.
- The values we anticipate will be disclosed in the June 30, 2020 year-end financials are shown on pages 2 and 3.
- Additional accounting information is shown on page 12 and Appendices C and D.
- Description and details of measured valuation liabilities can be found beginning on page 10.
- Guidance regarding the next actuarial valuation for the June 30, 2021 measurement date is provided on page 13.

B. Key Results

Scotts Valley Fire Protection District uses an Actuarial Measurement Date that is the same as its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2020 will be used directly for the June 30, 2020 Fiscal Year-End.

Key Results	Current Year	Prior Year
	<i>June 30, 2020 Measurement Date for June 30, 2020 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2019 Fiscal Year-End</i>
Total OPEB Liability (TOL)	\$1,868,590	\$2,360,718
Fiduciary Net Position (FNP)	\$0	\$0
Net OPEB Liability (NOL)	\$1,868,590	\$2,360,718
Service Cost (<i>for year following</i>)	\$43,451	\$55,518
Estimated Pay-as-you-go Cost (<i>for year following</i>)	\$81,308	\$70,605
GASB 75 OPEB Expense (<i>for year ending</i>)	\$434,935	\$144,281

Refer to results section beginning on page 10 or the glossary on page 28 for descriptions of the above items.

Key Assumptions	Current Year	Prior Year
	<i>June 30, 2020 Measurement Date for June 30, 2020 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2019 Fiscal Year-End</i>
Valuation Interest Rate	6.50%	3.50%
Expected Rate of Return on Assets	6.50%	N/A
Long-Term Medical Trend Rate	4.00%	4.00%
Projected Payroll Growth	2.75%	2.75%

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C. Summary of GASB 75 Accounting Results

1. Changes in Net OPEB Liability

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. A more detailed version of this table can be found on page 12.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2019 Measurement Date	\$2,360,718	\$0	\$2,360,718
Service Cost	\$55,518	\$0	\$55,518
Interest on TOL / Return on FNP	\$82,361	\$0	\$82,361
Employer Contributions	\$0	\$70,605	(\$70,605)
Benefit Payments	(\$70,605)	(\$70,605)	\$0
Administrative Expenses	\$0	\$0	\$0
Experience (Gains)/Losses	(\$138,395)	\$0	(\$138,395)
Changes in Assumptions	(\$804,700)	\$0	(\$804,700)
Change in Benefit Terms	\$383,693	\$0	\$383,693
Net Change during 2019-20	(\$492,128)	\$0	(\$492,128)
Actual Balance at June 30, 2020 Measurement Date	\$1,868,590	\$0	\$1,868,590

2. Deferred Inflows and Outflows

Changes in the NOL arising from certain sources are recognized on a deferred basis. The following tables show the balance of each deferral item as of the measurement date and the scheduled future recognition. A reconciliation of these balances can be found on page 12 while the complete deferral history is shown beginning on page 25.

Balances at June 30, 2020 Fiscal Year-End	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
Differences between expected and actual experience	\$47,265	(\$124,127)
Changes in assumptions	\$71,521	(\$779,683)
Differences between projected and actual return on assets	\$0	\$0
Total	\$118,786	(\$903,810)

To be recognized fiscal year ending June 30:	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
2021	\$23,759	(\$110,396)
2022	\$23,759	(\$110,396)
2023	\$23,759	(\$110,396)
2024	\$23,759	(\$110,396)
2025	\$23,750	(\$102,493)
Thereafter	\$0	(\$359,733)
Total	\$118,786	(\$903,810)

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3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, administrative expenses, and change in TOL due to plan changes, adjusted for deferred inflows and outflows. OPEB expense can also be derived as change in net position, adjusted for employer contributions, which can be found on page 12.

To be recognized fiscal year ending June 30, 2020	<i>Expense Component</i>
Service Cost	\$55,518
Interest Cost	\$82,361
Expected Return on Assets	\$0
Administrative Expenses	\$0
Recognition of Experience (Gain)/Loss Deferrals	(\$4,814)
Recognition of Assumption Change Deferrals	(\$81,823)
Recognition of Investment (Gain)/Loss Deferrals	\$0
Employee Contributions	\$0
Changes in Benefit Terms	\$383,693
Net OPEB Expense for fiscal year ending June 30, 2020	\$434,935

* May include a slight rounding error.

4. Adjustments

The amounts reflected in Scotts Valley Fire Protection District's June 30, 2019 audited financial statements do not match what was included in the valuation report with a June 30, 2019 measurement date. Consequently, the above OPEB expenses, TOL Change and/or FNP change cannot be reflected directly in Scotts Valley Fire Protection District's journal entries. The following table details discrepancies between the June 30, 2019 numbers contained in the valuation report and what was reported in the June 30, 2019 audit report.

Deferred (Inflow)/Outflow Balances as of Fiscal Year Ending June 30, 2019

	<i>Valuation</i>	<i>Audit Report</i>	
	<i>Beginning Balance</i>	<i>Beginning Balance</i>	<i>Difference</i>
Experience (Gains)/Losses	56,719	0	56,719
Assumption Changes	14,715	0	14,715
Investment (Gains)/Losses	0	0	0
Deferral Balance Total	71,434	0	71,434

5. Trend and Interest Rate Sensitivities

The following presents what the Net OPEB Liability would be if it were calculated using a discount rate assumption or a healthcare trend rate assumption one percent higher or lower than the current assumption.

Net OPEB Liability at June 30, 2020 Measurement Date	<i>Discount Rate</i>	<i>Healthcare Trend Rate</i>
1% Decrease in Assumption	\$2,082,616	\$1,705,625
Current Assumption	\$1,868,590	\$1,868,590
1% Increase in Assumption	\$1,688,620	\$2,067,466

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D. Description of Retiree Benefits

Following is a description of the current retiree benefit plan. The benefits below were changed in 2020 to include pre-65 coverage for Fire employees.

	<i>Firefighters and Fire Marshall</i>	<i>Chief and Battalion Chiefs</i>	<i>Administrative Secretary</i>	<i>Secretary/Receptionist</i>
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of Benefits	Lifetime	Lifetime	Lifetime	Lifetime
Required Service	10 Years	10 Years	CalPERS retirement	CalPERS retirement
Minimum Age	CalPERS retirement	CalPERS retirement	CalPERS retirement	CalPERS retirement
Dependent Coverage	Yes	Yes	No	Yes
District Contribution %	100% to cap	100% to cap	25% at 10 years + 5% per year to 100% at 25 or more years	100% to cap
District Cap	\$1,000 per month for 10 years or until Age 65, then statutory minimum	\$1,000 per month for 12 years or until Age 65, then statutory minimum	Same as active to 65, then statutory minimum	Statutory minimum only

E. Summary of Valuation Data

This report is based on census data provided to us as of June, 2020. Distributions of participants by age and service can be found on page 18.

	Current Year <i>June 30, 2020 Valuation Date</i> <i>June 30, 2020 Measurement Date</i>	Prior Year <i>June 30, 2019 Valuation Date</i> <i>June 30, 2019 Measurement Date</i>
Active Employees eligible for future benefits		
Count	29	29
Average Age	42.5	46.4
Average Years of Service	11.5	15.6
Retirees currently receiving benefits		
Count	12	8
Average Age	63.4	65.5

We were not provided with information about any terminated, vested employees.

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F. Certification

The actuarial information in this report is intended solely to assist Scotts Valley Fire Protection District in complying with Governmental Accounting Standards Board Accounting Statements 74 and 75 and, unless otherwise stated, fully and fairly discloses actuarial information required for compliance. Nothing in this report should be construed as an accounting opinion, accounting advice or legal advice. TCS recommends that third parties retain their own actuary or other qualified professionals when reviewing this report. TCS's work is prepared solely for the use and benefit of Scotts Valley Fire Protection District. Release of this report may be subject to provisions of the Agreement between Scotts Valley Fire Protection District and TCS. No third party recipient of this report product should rely on the report for any purpose other than accounting compliance. Any other use of this report is unauthorized without first consulting with TCS.

This report is for fiscal year July 1, 2019 to June 30, 2020, using a measurement date of June 30, 2020. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by Scotts Valley Fire Protection District. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. We relied on the following materials to complete this study:

- We used paper reports and digital files containing participant demographic data from the District personnel records.
- We used relevant sections of collective bargaining agreements provided by the District.

All costs, liabilities, and other estimates are based on actuarial assumptions and methods that comply with all applicable Actuarial Standards of Practice (ASOPs). Each assumption is deemed to be reasonable by itself, taking into account plan experience and reasonable future expectations and in combination represent our estimate of anticipated experience of the Plan.

This report contains estimates of the Plan's financial condition and future results only as of a single date. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. This valuation cannot predict the Plan's future condition nor guarantee its future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. Determining results using alternative assumptions (except for the alternate discount and trend rates shown in this report) is outside the scope of our engagement.

Future actuarial measurements may differ significantly from those presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the measurement methodology (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We were not asked to perform analyses to estimate the potential range of such future measurements.

The signing actuary is independent of Scotts Valley Fire Protection District and any plan sponsor. TCS does not intend to benefit from and assumes no duty or liability to other parties who receive this report. TCS is not aware of any relationship that would impair the objectivity of the opinion.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and has been prepared in accordance with generally accepted actuarial principles and practices and all

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applicable Actuarial Standards of Practice. My experience and continuing education are consistent with the requirements described for actuaries under the Qualification Standards of the American Academy of Actuaries.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Geoffrey L. Kischuk". The signature is fluid and cursive, with the first name "Geoffrey" being more prominent.

Geoffrey L. Kischuk
Actuary
Total Compensation Systems, Inc.
(805) 496-1700

PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

We calculated the actuarial present value of projected benefit payments (APVPBP) separately for each participant. We determined eligibility for retiree benefits based on information supplied by Scotts Valley Fire Protection District. We then selected assumptions that, based on plan provisions and our training and experience, represent our best prediction of future plan experience. For each participant, we applied the appropriate assumption factors based on the participant's age, sex, length of service, and employee classification.

The actuarial assumptions used for this study are summarized beginning on page 14.

B. Liability for Retiree Benefits.

For each participant, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent Scotts Valley Fire Protection District uses contribution caps, the influence of the trend factor is further reduced. We multiplied each year's benefit payments by the probability that benefits will be paid; i.e. based on the probability that the participant is living, has not terminated employment, has retired and remains eligible. The probability that benefit will be paid is zero if the participant is not eligible. The participant is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's benefit payments and the probability the benefit will be paid equals the expected cost for that year. We multiplied the above expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan. Finally, we discounted the expected cost for each year to the measurement date June 30, 2020 at 6.50% interest.

For any **current retirees**, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 100%).

The value generated from the process described above is called the actuarial present value of projected benefit payments (APVPBP). We added APVPBP for each participant to get the total APVPBP for all participants which is the estimated present value of all future retiree health benefits for all **current** participants. The APVPBP is the amount on June 30, 2020 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last participant dies or reaches the maximum eligibility age. However, for most actuarial and accounting purposes, the APVPBP is not used directly but is instead apportioned over the lifetime of each participant as described in the following sections.

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C. Actuarial Accrual

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly (via an “implicit rate subsidy”).

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method” and uses the APVPBP to develop expense and liability figures. Furthermore, the APVPBP should be accrued over the working lifetime of employees.

In order to accrue the APVPBP over the working lifetime of employees, actuarial cost methods apportion the APVPBP into two parts: the portions attributable to service rendered prior to the measurement date (the past service liability or Total OPEB Liability (TOL) under GASB 74 and 75) and to service after the measurement date but prior to retirement (the future service liability or present value of future service costs). Of the future service liability, the portion attributable to the single year immediately following the measurement date is known as the normal cost or Service Cost under GASB 74 and 75.

The service cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under the entry age actuarial cost method, the actuary determines the service cost as the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

D. Actuarial Assumptions

The APVPBP and service cost are determined using several key assumptions:

- The current ***cost of retiree health benefits*** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.
- The ***“trend” rate*** at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.
- ***Mortality rates*** varying by age and sex (and sometimes retirement or disability status). If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.
- ***Employment termination rates*** have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.
- The ***service requirement*** reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

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- **Retirement rates** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.
- **Participation rates** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The **discount rate** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the **real** rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds rated AA or higher. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

E. Total OPEB Liability

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. If all actuarial assumptions are exactly met and an employer expensed the service cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the Total OPEB Liability (TOL). The excess of TOL over the value of plan assets is called the Net OPEB Liability (NOL). Under GASB 74 and 75, in order for assets to count toward offsetting the TOL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

Changes in the TOL can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. Change in the TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience. GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

Under GASB 74 and 75, a portion of actuarial gains and losses can be deferred as follows:

- Investment gains and losses are deferred five years.
- Experience gains and losses are deferred over the Expected Average Remaining Service Lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.
- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the EARSL.
- Liability changes resulting from plan changes, for example, cannot be deferred.

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F. Valuation Results

This section details the measured values of the concepts described on the previous pages.

1. Actuarial Present Value of Projected Benefit Payments (APVPBP)

Actuarial Present Value of Projected Benefit Payments as of June 30, 2020 Valuation Date

	<i>Total</i>	<i>Fire Management</i>	<i>Fire Fighters</i>	<i>General Employees</i>
Active: Pre-65 Benefit	\$748,935	\$175,647	\$506,557	\$66,731
Post-65 Benefit	\$388,476	\$73,455	\$286,512	\$28,509
Subtotal	\$1,137,411	\$249,102	\$793,069	\$95,240
Retiree: Pre-65 Benefit	\$249,676	\$210,107	\$39,569	\$0
Post-65 Benefit	\$901,353	\$761,125	\$140,228	\$0
Subtotal	\$1,151,029	\$971,232	\$179,797	\$0
Grand Total	\$2,288,440	\$1,220,334	\$972,866	\$95,240
Subtotal Pre-65 Benefit	\$998,611	\$385,754	\$546,126	\$66,731
Subtotal Post-65 Benefit	\$1,289,829	\$834,580	\$426,740	\$28,509

2. Service Cost

The service cost represents the value of the benefit earned during a single year of employment. It is the APVPBP spread over the expected working lifetime of the employee and divided into annual segments. We applied an "entry age" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated service cost.

Service Cost Valuation Year Beginning July 1, 2020

	<i>Total</i>	<i>Fire Management</i>	<i>Fire Fighters</i>	<i>General Employees</i>
# of Eligible Employees	29	4	22	3
First Year Service Cost				
Pre-65 Benefit	\$27,800	\$5,220	\$21,164	\$1,416
Post-65 Benefit	\$15,651	\$2,536	\$12,320	\$795
Total	\$43,451	\$7,756	\$33,484	\$2,211

Accruing retiree health benefit costs using service costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. While the service cost for each employee is targeted to remain level as a percentage of covered payroll, the service cost as a dollar amount would increase each year based on covered payroll. Additionally, the overall service cost may grow or shrink based on changes in the demographic makeup of the employees from year to year.

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3. Total OPEB Liability and Net OPEB Liability

If actuarial assumptions are borne out by experience, the District will fully accrue retiree benefits by expensing an amount each year that equals the service cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the Total OPEB Liability. We calculated the Total OPEB Liability (TOL) as the APVPBP minus the present value of future service costs. To the extent that benefits are funded through a GASB 74 qualifying trust, the trust's Fiduciary Net Position (FNP) is subtracted to get the NOL. The FNP is the value of assets adjusted for any applicable payables and receivables as shown in the table on page 15.

Total OPEB Liability and Net OPEB Liability as of June 30, 2020 Valuation Date

		<i>Fire</i>		<i>General</i>
	<i>Total</i>	<i>Management</i>	<i>Fire Fighters</i>	<i>Employees</i>
Active: Pre-65 Benefit	493,105	\$151,359	\$286,484	\$55,262
Active: Post-65 Benefit	\$224,456	\$58,585	\$145,746	\$20,125
Subtotal	\$717,561	\$209,944	\$432,230	\$75,387
Retiree: Pre-65 Benefit	\$249,676	\$210,107	\$39,569	\$0
Retiree: Post-65 Benefit	\$901,353	\$761,125	\$140,228	\$0
Subtotal	\$1,151,029	\$971,232	\$179,797	\$0
Subtotal: Pre-65 Benefit	\$742,781	\$361,466	\$326,053	\$55,262
Subtotal: Post-65 Benefit	\$1,125,809	\$819,710	\$285,974	\$20,125
Total OPEB Liability (TOL)	\$1,868,590	\$1,181,176	\$612,027	\$75,387
Fiduciary Net Position as of June 30, 2020	\$0			
Net OPEB Liability (NOL)	\$1,868,590			

4. "Pay As You Go" Projection of Retiree Benefit Payments

We used the actuarial assumptions shown in Appendix C to project the District's ten year retiree benefit outlay. Because these cost estimates reflect average assumptions applied to a relatively small number of participants, estimates for individual years are **certain** to be **inaccurate**. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the District's share of retiree health costs.

<i>Year Beginning July 1</i>	<i>Total</i>	<i>Fire Management</i>	<i>Fire Fighters</i>	<i>General Employees</i>
2020	\$81,308	\$69,430	\$11,739	\$139
2021	\$88,140	\$74,215	\$13,648	\$277
2022	\$101,069	\$83,152	\$17,215	\$702
2023	\$107,047	\$85,636	\$20,171	\$1,240
2024	\$118,418	\$92,462	\$23,011	\$2,945
2025	\$134,095	\$97,692	\$31,806	\$4,597
2026	\$138,604	\$101,162	\$31,313	\$6,129
2027	\$157,713	\$108,484	\$41,458	\$7,771
2028	\$168,152	\$111,562	\$47,057	\$9,533
2029	\$166,956	\$96,454	\$58,999	\$11,503

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G. Additional Reconciliation of GASB 75 Results

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. For some plans, it will provide additional detail and transparency beyond that shown in the table on Page 2.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
Balance at June 30, 2019	\$2,360,718	\$0	\$2,360,718
Service Cost	\$55,518	\$0	\$55,518
Interest on Total OPEB Liability	\$82,361	\$0	\$82,361
Expected Investment Income	\$0	\$0	\$0
Administrative Expenses	\$0	\$0	\$0
Employee Contributions	\$0	\$0	\$0
Employer Contributions to Trust	\$0	\$0	\$0
Employer Contributions as Benefit Payments	\$0	\$70,605	(\$70,605)
Benefit Payments from Trust	\$0	\$0	\$0
Expected Benefit Payments from Employer	(\$70,605)	(\$70,605)	\$0
Expected Balance at June 30, 2020	\$2,427,992	\$0	\$2,427,992
Experience (Gains)/Losses	(\$138,395)	\$0	(\$138,395)
Changes in Assumptions	(\$804,700)	\$0	(\$804,700)
Changes in Benefit Terms	\$383,693	\$0	\$383,693
Investment Gains/(Losses)	\$0	\$0	\$0
Other	\$0	\$0	\$0
Net Change during 2020	(\$492,128)	\$0	(\$492,128)
Actual Balance at June 30, 2020*	\$1,868,590	\$0	\$1,868,590

* May include a slight rounding error.

Changes in the NOL arising from certain sources are recognized on a deferred basis. The deferral history for Scotts Valley Fire Protection District is shown beginning on page 25. The following table summarizes the beginning and ending balances for each deferral item. The current year expense reflects the change in deferral balances for the measurement year.

Deferred Inflow/Outflow Balances Fiscal Year Ending June 30, 2020

	<i>Beginning Balance</i>	<i>Change Due to New Deferrals</i>	<i>Change Due to Recognition</i>	<i>Ending Balance</i>
Experience (Gains)/Losses	\$56,719	(\$138,395)	\$4,814	(\$76,862)
Assumption Changes	\$14,715	(\$804,700)	\$81,823	(\$708,162)
Investment (Gains)/Losses	\$0	\$0	\$0	\$0
Deferred Balances	\$71,434	(\$943,095)	\$86,637	(\$785,024)

The following table shows the reconciliation of Net Position (NOL less the balance of any deferred inflows or outflows). When adjusted for contributions, the change in Net Position is equal to the OPEB expense shown previously on page 3.

OPEB Expense Fiscal Year Ending June 30, 2020

	<i>Beginning Net Position</i>	<i>Ending Net Position</i>	<i>Change</i>
Net OPEB Liability (NOL)	\$2,360,718	\$1,868,590	(\$492,128)
Deferred Balances	\$71,434	(\$785,024)	(\$856,458)
Net Position	\$2,289,284	\$2,653,614	\$364,330
Adjust Out Employer Contributions			\$70,605
OPEB Expense			\$434,935

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H. Procedures for Future Valuations

GASB 74/75 require annual measurements of liability with a full actuarial valuation required every two years. This means that for the measurement date one year following a full actuarial valuation, a streamlined “roll-forward” valuation may be performed in place of a full valuation. The following outlines the key differences between full and roll-forward valuations.

	Full Actuarial Valuation	Roll-Forward Valuation
Collect New Census Data	Yes	No
Reflect Updates to Plan Design	Yes	No
Update Actuarial Assumptions	Yes	Typically Not
Update Valuation Interest Rate	Yes	Yes
Actual Assets as of Measurement Date	Yes	Yes
Timing	4-6 weeks after information is received	1-2 weeks after information is received
Fees	Full	Reduced
Information Needed from Employer	Moderate	Minimal
Required Frequency	At least every two years	Each year, unless a full valuation is performed

The majority of employers use an alternating cycle of a full valuation one year followed by a roll-forward valuation the next year. However, a full valuation may be required or preferred under certain circumstances. Following are examples of actions that could cause the employer to consider a full valuation instead of a roll-forward valuation.

- The employer considers or puts in place an early retirement incentive program.
- The employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- The employer desires the measured liability to incorporate more recent census data or assumptions.
- The employer forms a qualifying trust or changes its investment policy.
- The employer adds or terminates a group of participants that constitutes a significant part of the covered group.

We anticipate that the next valuation we perform for Scotts Valley Fire Protection District will be a roll-forward valuation with a measurement date of June 30, 2021 which will be used for the fiscal year ending June 30, 2021. Please let us know if Scotts Valley Fire Protection District would like to discuss whether another full valuation would be preferable based on any of the examples listed above.

PART III: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for Scotts Valley Fire Protection District to understand that the appropriateness of all selected actuarial assumptions and methods are Scotts Valley Fire Protection District's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 74 and 75, applicable actuarial standards of practice, Scotts Valley Fire Protection District's actual historical experience, and TCS's judgment based on experience and training.

A. ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: GASB 74 and 75 require use of the entry age actuarial cost method.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The APVPBP and present value of future service costs are determined on a participant by participant basis and then aggregated.

SUBSTANTIVE PLAN: As required under GASB 74 and 75, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Scotts Valley Fire Protection District regarding practices with respect to employer and employee contributions and other relevant factors.

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B. ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 2.75% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 6.50% per year net of expenses. This is based on assumed long-term return on employer assets.. We used the “Building Block Method”. (See Appendix C, Paragraph 53 for more information). Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4.00% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), using an aggregate payroll assumption for the purpose of calculating the service cost results in a negligible error.

FIDUCIARY NET POSITION (FNP): The following table shows the beginning and ending FNP numbers that were provided by Scotts Valley Fire Protection District.

Fiduciary Net Position as of June 30, 2020

	<i>06/30/2019</i>	<i>06/30/2020</i>
Cash and Equivalents	\$0	\$0
Contributions Receivable	\$0	\$0
Total Investments	\$0	\$0
Capital Assets	\$0	\$0
Total Assets	\$0	\$0
Benefits Payable	\$0	\$0
Fiduciary Net Position	\$0	\$0

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C. NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35). See Appendix C, Paragraph 52 for more information.

MORTALITY

<i>Participant Type</i>	<i>Mortality Tables</i>
Firefighters	2017 CalPERS Mortality for Safety Employees
Miscellaneous	2017 CalPERS Mortality for Miscellaneous and Schools Employees

RETIREMENT RATES

<i>Employee Type</i>	<i>Retirement Rate Tables</i>
Fire Management	Hired 2012 and earlier: 2017 CalPERS 3.0% @55 Rates for Fire Employees Hired 2013 and later: 2017 CalPERS 2.7% @57 Rates for Fire Employees
Fire Fighters	Hired 2012 and earlier: 2017 CalPERS 3.0% @55 Rates for Fire Employees Hired 2013 and later: 2017 CalPERS 2.7% @57 Rates for Fire Employees
General Employees	Hired 2012 and earlier: 2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees Hired 2013 and later: 2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees

COSTS FOR RETIREE COVERAGE

Actuarial Standard of Practice 6 (ASOP 6) provides that, as a general rule, retiree costs should be based on actual claim costs or age-adjusted premiums. This is true even for many medical plans that are commonly considered to be “community-rated.” However, ASOP 6 contains a provision – specifically section 3.7.7(c) – that allows use of unadjusted premiums in certain circumstances.

It is my opinion that the section 3.7.7(c)(4) exception allows use of unadjusted premium for PEMHCA agencies if certain conditions are met. Following are the criteria we applied to Scotts Valley Fire Protection District to determine that it is reasonable to assume that Scotts Valley Fire Protection District’s future participation in PEMHCA is likely and that the CalPERS medical program as well as its premium structure are sustainable. (We also have an extensive white paper on this subject that provides a basis for our rationale entirely within the context of ASOP 6. We will make this white paper available upon request.)

- **Plan qualifies as a “pooled health plan.”** ASOP 6 defines a “pooled health plan” as one in which premiums are based at least in part on the claims experience of groups other than the one being valued.” Since CalPERS rates are the same for all employers in each region, rates are clearly based on the experience of many groups.
- **Rates not based to any extent on the agency’s claim experience.** As mentioned above, rates are the same for all participating employers regardless of claim experience or size.
- **Rates not based to any extent on the agency’s demographics.** As mentioned above, rates are the same for all participating employers regardless of demographics.
- **No refunds or charges based on the agency’s claim experience or demographics.** The terms of operation of the CalPERS program are set by statute and there is no provision for any refunds and charges that vary from employer to employer for any reason. The only charges are uniform administrative charges.
- **Plan in existence 20 or more years.** Enabling legislation to allow “contracting agencies” to participate in the CalPERS program was passed in 1967. The CalPERS medical plan has been successfully operating for almost 50 years. As far back as we can obtain records, the rating structure has been consistent, with the only difference having been a move to regional rating which is unrelated to age-adjusted rating.

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- **No recent large increases or decreases in the number of participating plans or enrollment.** The CalPERS medical plan has shown remarkably stable enrollment. In the past 10 years, there has been small growth in the number of employers in most years – with the maximum being a little over 2% and a very small decrease in one year. Average year over year growth in the number of employers over the last 10 years has been about 0.75% per year. Groups have been consistently leaving the CalPERS medical plan while other groups have been joining with no disruption to its stability.
- **Agency is not expecting to leave plan in foreseeable future.** The District does not plan to leave CalPERS at present.
- **No indication the plan will be discontinued.** We are unaware of anything that would cause the CalPERS medical plan to cease or to significantly change its operation in a way that would affect this determination.
- **The agency does not represent a large part of the pool.** The District is in the CalPERS Bay Area region. Based on the information we have, the District constitutes no more than 0.04% of the Bay Area pool. In our opinion, this is not enough for the District to have a measurable effect on the rates or viability of the Bay Area pool.

Retiree liabilities are based on actual retiree costs. Liabilities for active participants are based on the first year costs shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any District contribution caps.

<i>Participant Type</i>	<i>Future Retirees Pre-65</i>	<i>Future Retirees Post-65</i>
Fire Fighters	\$12,000	\$1,692
Fire Management	\$12,000	\$1,692
General Employees	Administrative Secretary: \$13,772 All Others: \$1,692	\$1,692

PARTICIPATION RATES

<i>Employee Type</i>	<i><65 Non-Medicare Participation %</i>	<i>65+ Medicare Participation %</i>
Fire Management	If PEMHCA Minimum Only: 90%, otherwise 100%	90%
Fire Fighters	If PEMHCA Minimum Only: 90%, otherwise 100%	90%
General Employees	If PEMHCA Minimum Only: 80%, otherwise 100%	80%

TURNOVER

<i>Employee Type</i>	<i>Turnover Rate Tables</i>
Firefighters	2017 CalPERS Turnover for Fire Employees
Miscellaneous	2017 CalPERS Turnover for Miscellaneous Employees

SPOUSE PREVALENCE

To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES

To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

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PART IV: APPENDICES

APPENDIX A: DEMOGRAPHIC DATA BY AGE

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND EMPLOYEE CLASS

<i>Age</i>	<i>Total</i>	<i>Fire Management</i>	<i>Fire Fighters</i>	<i>General Employees</i>
Under 25	0	0	0	0
25 – 29	1	0	0	1
30 – 34	9	0	8	1
35 – 39	2	0	2	0
40 – 44	4	0	4	0
45 – 49	5	0	5	0
50 – 54	5	2	2	1
55 – 59	3	2	1	0
60 – 64	0	0	0	0
65 and older	0	0	0	0
Total	29	4	22	3

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND SERVICE

	<i>Total</i>	<i>Under 5 Years of Service</i>	<i>5 – 9 Years of Service</i>	<i>10 – 14 Years of Service</i>	<i>15 – 19 Years of Service</i>	<i>20 – 24 Years of Service</i>	<i>25 – 29 Years of Service</i>	<i>30 – 34 Years of Service</i>	<i>Over 34 Years of Service</i>
Under 25	0								
25 – 29	1	1							
30 – 34	9	7	1	1					
35 – 39	2	1		1					
40 – 44	4	1		2	1				
45 – 49	5	1	1	1	2				
50 – 54	5	1			2	1	1		
55 – 59	3				1			2	
60 – 64	0								
65 and older	0								
Total	29	12	2	5	6	1	1	2	0

ELIGIBLE RETIREES BY AGE AND EMPLOYEE CLASS

<i>Age</i>	<i>Total</i>	<i>Fire Management</i>	<i>Fire Fighters</i>	<i>General Employees</i>
Under 50	0	0	0	0
50 – 54	2	1	1	0
55 – 59	3	1	2	0
60 – 64	2	1	1	0
65 – 69	3	2	1	0
70 – 74	1	0	1	0
75 – 79	1	1	0	0
80 – 84	0	0	0	0
85 – 89	0	0	0	0
90 and older	0	0	0	0
Total	12	6	6	0

APPENDIX B: ADMINISTRATIVE BEST PRACTICES

It is outside the scope of this report to make specific recommendations of actions Scotts Valley Fire Protection District should take to manage the liability created by the current retiree health program. The following items are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Scotts Valley Fire Protection District's practices, it is possible that Scotts Valley Fire Protection District is already complying with some or all of these suggestions.

- We suggest that Scotts Valley Fire Protection District maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Scotts Valley Fire Protection District should determine whether the benefit is material and subject to GASB 74 and/or 75.
- Under GASB 75, it is important to isolate the cost of retiree health benefits. Scotts Valley Fire Protection District should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – *even on a retiree-pay-all basis* – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Scotts Valley Fire Protection District should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- Scotts Valley Fire Protection District should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.
- Several assumptions were made in estimating costs and liabilities under Scotts Valley Fire Protection District's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Part III of this report for a summary of assumptions.) For example, Scotts Valley Fire Protection District should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Scotts Valley Fire Protection District to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

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APPENDIX C: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

This report does not necessarily include the entire accounting values. As mentioned earlier, there are certain deferred items that are employer-specific. The District should consult with its auditor if there are any questions about what, if any, adjustments may be appropriate.

GASB 74/75 include a large number of items that should be included in the Note Disclosures and Required Supplementary Information (RSI) Schedules. Many of these items are outside the scope of the actuarial valuation. However, following is information to assist the District in complying with GASB 74/75 disclosure requirements:

Paragraph 50: Information about the OPEB Plan

Most of the information about the OPEB plan should be supplied by Scotts Valley Fire Protection District. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Currently Receiving Benefit Payments	12
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	29
Total Number of participants	41

*We were not provided with information about any terminated, vested employees

Paragraph 51: Significant Assumptions and Other Inputs

Shown in Appendix C.

Paragraph 52: Information Related to Assumptions and Other Inputs

The following information is intended to assist Scotts Valley Fire Protection District in complying with the requirements of Paragraph 52.

52.b: Mortality Assumptions Following are the tables the mortality assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Mortality Table	2017 CalPERS Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

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Mortality Table	2017 CalPERS Retiree Mortality for All Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Retiree Mortality for All Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.
Mortality Table	2017 CalPERS Mortality for Safety Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Mortality for Safety Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

52.c: Experience Studies Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Retirement Tables

Retirement Table	2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2017 CalPERS 2.7% @57 Rates for Fire Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.7% @57 Rates for Fire Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2017 CalPERS 3.0% @55 Rates for Fire Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 3.0% @55 Rates for Fire Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

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Turnover Tables

Turnover Table	2017 CalPERS Turnover for Fire Employees
Disclosure	The turnover assumptions are based on the 2017 CalPERS Turnover for Fire Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Turnover Table	2017 CalPERS Turnover for Miscellaneous Employees
Disclosure	The turnover assumptions are based on the 2017 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, we use actual plan provisions and plan data.

52.d: The alternative measurement method was not used in this valuation.

52.e: NOL using alternative trend assumptions The following table shows the Net OPEB Liability with a healthcare cost trend rate 1% higher and 1% lower than assumed in the valuation.

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability	\$1,705,625	\$1,868,590	\$2,067,466

Paragraph 53:

Discount Rate

The following information is intended to assist Scotts Valley Fire Protection District to comply with Paragraph 53 requirements.

53.a: A discount rate of 6.50% was used in the valuation. The interest rate used in the prior valuation was 3.50%.

53.b: We assumed that all contributions are from the employer.

53.c: We used historic 28 year real rates of return for each asset class along with our assumed long-term inflation assumption to set the discount rate. We offset the expected investment return by investment expenses of 25 basis points.

53.d: The interest assumption does not reflect a municipal bond rate.

53.e: Not applicable.

53.f: Following is the assumed asset allocation and assumed rate of return for each.

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CERBT - Strategy 2

Asset Class	Percentage of Portfolio	Assumed Gross Return
US Large Cap	40.0000	7.7950
US Small Cap	10.0000	7.7950
Long-Term Corporate Bonds	18.0000	5.2950
Long-Term Government Bonds	6.0000	4.5000
Treasury Inflation Protected Securities (TIPS)	15.0000	7.7950
US Real Estate	8.0000	7.7950
All Commodities	3.0000	7.7950

We looked at rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. We used geometric means.

53.g: The following table shows the Net OPEB liability with a discount rate 1% higher and 1% lower than assumed in the valuation.

	Discount Rate	Valuation	Discount Rate
	1% Lower	Discount Rate	1% Higher
Net OPEB Liability	\$2,082,616	\$1,868,590	\$1,688,620

Paragraph 55: **Changes in the Net OPEB Liability**

Please see reconciliation on pages 2 or 12.

Paragraph 56: **Additional Net OPEB Liability Information**

The following information is intended to assist Scotts Valley Fire Protection District to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2020.

The measurement date is June 30, 2020.

56.b: We are not aware of a special funding arrangement.

56.c: The interest assumption changed from 3.50% to 6.50%. Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.

56.d: The pre-65 benefit for firefighters and fire management was amended to include up to 10 years (12 years for battalion Chiefs) of pre-65 employer-paid coverage up to \$1,000 per month

56.e: Not applicable

56.f: To be determined by the employer

56.g: To be determined by the employer

56.h: Other than contributions after the measurement, all deferred inflow and outflow balances are shown on page 12 and in Appendix D

56.i: Future recognition of deferred inflows and outflows is shown in Appendix D

Paragraph 57: **Required Supplementary Information**

57.a: Please see reconciliation on pages 2 or 12. Please see the notes for Paragraph 244 below for more information.

57.b: These items are provided on pages 2 and 12 for the current valuation, except for

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covered payroll, which should be determined based on appropriate methods.

57.c: We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 28 years.

57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

Paragraph 58: **Actuarially Determined Contributions**

We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 28 years.

Paragraph 244: **Transition Option**

Prior periods were not restated due to the fact that prior valuations were not rerun in accordance with GASB 75. It was determined that the time and expense necessary to rerun prior valuations and to restate prior financial statements was not justified.

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APPENDIX D: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

EXPERIENCE GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)

Measurement Period	Experience (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2018-19	\$66,173	7	\$9,454	\$9,454	\$47,265	\$9,454	\$9,454	\$9,454	\$9,454	\$9,449	
2019-20	(\$138,395)	9.7	\$0	(\$14,268)	(\$124,127)	(\$14,268)	(\$14,268)	(\$14,268)	(\$14,268)	(\$14,268)	(\$52,787)
Net Increase (Decrease) in OPEB Expense			\$9,454	(\$4,814)	(\$76,862)	(\$4,814)	(\$4,814)	(\$4,814)	(\$4,814)	(\$4,819)	(\$52,787)

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CHANGES OF ASSUMPTIONS

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Changes of Assumptions (Measurement Periods)

Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2017-18	(\$97,449)	7.4	(\$26,338)	(\$13,169)	(\$57,942)	(\$13,169)	(\$13,169)	(\$13,169)	(\$13,169)	(\$5,266)	
2018-19	\$100,131	7	\$14,305	\$14,305	\$71,521	\$14,305	\$14,305	\$14,305	\$14,305	\$14,301	
2019-20	(\$804,700)	9.7	\$0	(\$82,959)	(\$721,741)	(\$82,959)	(\$82,959)	(\$82,959)	(\$82,959)	(\$82,959)	(\$306,946)
Net Increase (Decrease) in OPEB Expense			(\$12,033)	(\$81,823)	(\$708,162)	(\$81,823)	(\$81,823)	(\$81,823)	(\$81,823)	(\$73,924)	(\$306,946)

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INVESTMENT GAINS AND LOSSES

Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of
Investment Gains and Losses
(Measurement Periods)

Measurement Period	Investment (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2019-20	\$0	0	\$0	\$0	\$0						
Net Increase (Decrease) in OPEB Expense			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

APPENDIX E: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

<u>Actuarial Cost Method:</u>	A mathematical model for allocating OPEB costs by year of service. The only actuarial cost method allowed under GASB 74/75 is the entry age actuarial cost method.
<u>Actuarial Present Value of Projected Benefit Payments:</u>	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.
<u>Deferred Inflows/Outflows of Resources:</u>	A portion of certain items that can be deferred to future periods or that weren't reflected in the valuation. The former includes investment gains/losses, actuarial gains/losses, and gains/losses due to changes in actuarial assumptions or methods. The latter includes contributions made to a trust subsequent to the measurement date but before the statement date.
<u>Discount Rate:</u>	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower service costs and total OPEB liability.
<u>Fiduciary Net Position:</u>	Net assets (liability) of a qualifying OPEB "plan" (i.e. qualifying irrevocable trust or equivalent arrangement).
<u>Implicit Rate Subsidy:</u>	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees and the employer is expected, in the long run, to pay the underlying cost of retiree benefits.
<u>Measurement Date:</u>	The date at which assets and liabilities are determined in order to estimate TOL and NOL.
<u>Mortality Rate:</u>	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.
<u>Net OPEB Liability (NOL):</u>	The Total OPEB Liability minus the Fiduciary Net Position.
<u>OPEB Benefits:</u>	Other Post Employment Benefits. Generally, medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
<u>OPEB Expense:</u>	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Service Cost plus interest on the Total OPEB Liability (TOL) plus change in TOL due to plan changes minus projected investment income; all adjusted to reflect deferred inflows and outflows of resources.
<u>Participation Rate:</u>	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.

Total Compensation Systems, Inc.

<u>Pay As You Go Cost:</u>	The projected benefit payments to retirees in a given year as estimated by the actuarial valuation. Actual benefit payments are likely to differ from these estimated amounts. For OPEB plans that do not pre-fund through an irrevocable trust, the Pay As You Go Cost serves as an estimated amount to budget for annual OPEB payments.
<u>Retirement Rate:</u>	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.
<u>Service Cost:</u>	The annual dollar value of the “earned” portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
<u>Service Requirement:</u>	The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.
<u>Total OPEB Liability (TOL):</u>	The amount of the actuarial present value of projected benefit payments attributable to participants’ past service based on the actuarial cost method used.
<u>Trend Rate:</u>	The rate at which the employer’s share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.
<u>Turnover Rate:</u>	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.
<u>Valuation Date:</u>	The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can’t be more than 30 months prior.

Scotts Valley Fire Protection District

Fire Chief Employment Contract

This contract, dated **October 14, 2020** is made between the Scotts Valley Fire Protection District ("DISTRICT") and Ronald G. Whittle ("EMPLOYEE").

RECITALS

DISTRICT desires to employ the services of EMPLOYEE as Fire Chief and to provide certain compensation and establish certain conditions of employment of the Fire Chief. EMPLOYEE desires to accept employment as Fire Chief under the conditions contained in this contract. In consideration of the mutual covenants contained in this contract, the parties agree as follows:

I. TERM OF AGREEMENT

The term of this agreement shall begin on **October 31, 2020**, and shall continue for a period of five (5) years, subject only to the Termination provision of this contract. Both the DISTRICT and EMPLOYEE understand that EMPLOYEE's employment is at the will of both parties. Thus, EMPLOYEE serves at the pleasure of the DISTRICT, subject to the terms of this contract. In a like manner, nothing in this contract shall interfere with the right of the EMPLOYEE to resign at any time, subject to the Termination provision below (Section 5).

2. DUTIES

(a) EMPLOYEE shall provide the services normally provided by a Fire Chief in a Fire Protection District in California. Such duties include, but are not limited to, planning, directing, and supervising the activities of the Fire DISTRICT personnel; coordinating DISTRICT activities and mutual aid with Federal, State, and other local agencies; attending before, and after-hours meetings as required by the DISTRICT; analyze, prepare and manage the DISTRICT's budget; prepare agenda and materials for Board Meetings; select, appoint, promote, and discipline employees of the DISTRICT; formulate and recommend policies for Board review and adoption; and provide staff assistance to the Board as necessary. EMPLOYEE shall devote such time as is reasonably necessary to perform these duties.

(b) EMPLOYEE is expected to devote his entire productive time, ability, and attention to the business of the DISTRICT during the term of this agreement. Without prior consent of the Board of Directors, EMPLOYEE shall not render any employment to a business, commercial venture, or of professional nature to any other person or organization.

Scotts Valley Fire Protection District

Fire Chief Employment Contract

- (c) The DISTRICT encourages the continued professional growth of the Fire Chief. It encourages membership and participation in professional organizations, professional seminars, professional conferences and conventions, community organizations, in addition to formal education.
- (d) EMPLOYEE agrees that in return for the benefits provided herein EMPLOYEE will continuously reside within fifteen (15) minutes (travel time) of the boundaries of the DISTRICT as measured by the quickest safe route of travel, using a DISTRICT provided vehicle, and following all laws of the road

3. COMPENSATION AND BENEFITS

- (a) Compensation: EMPLOYEE will receive an annual salary as listed in the DISTRICT published Salary Schedule. EMPLOYEE will initially be placed at the rate for Fire Chief A (\$16,086.72 monthly; \$193,041 annually). Movement to Fire Chief B, and subsequently Fire Chief C is at the discretion of the Board of Directors and will be considered as part of the annual evaluation process in Section 4 Performance Evaluation. EMPLOYEE's salary will be prorated and paid at the same time and in the same manner as other DISTRICT employees.
- (b) The DISTRICT agrees to compensate EMPLOYEE at straight time at his current hourly rate for all time assigned to Federal and/or State emergency incidents. This shall only be paid if the DISTRICT receives reimbursement from Federal or State agencies and will not exceed the amount actually received as reimbursement. This compensation is for hours worked above and beyond the normal work week and in addition to the EMPLOYEE's regular rate of pay.
- (c) Retirement: EMPLOYEE shall be enrolled in the California Public Employees Retirement System (CalPERS) as a safety member pursuant to the contractual arrangement between DISTRICT and CalPERS.
- (d) Medical Insurance:
The DISTRICT has elected to contract with the California Public Employees Retirement System (CalPERS) to provide medical insurance coverage through the Public Employees Medical and Hospital Care Act (PEMHCA) medical plans to active employees and retirees. As required by PEMHCA, the DISTRICT shall pay

Scotts Valley Fire Protection District

Fire Chief Employment Contract

directly to CalPERS the monthly Minimum Employer Contribution (MEC) towards the PEMHCA medical plan insurance premium for each active employee and retiree who elects to enroll in a PEMHCA medical plan.

EMPLOYEE may select any Medical Insurance Plan currently offered by DISTRICT for himself and his dependents towards which DISTRICT will pay CalPERS an amount of money on behalf of EMPLOYEE and his eligible dependents when combined with the MEC, shall be the equivalent to ninety-seven percent (97%) of the monthly premium cost of the Bay Area PERS Choice PPO plan as the maximum allowable premium amount.

- (e) Dental Insurance: EMPLOYEE will be enrolled in DISTRICT sponsored dental insurance plan. DISTRICT will pay one-hundred percent (100%) of the premium for EMPLOYEE and EMPLOYEE's dependents.
- (f) Vision Insurance: EMPLOYEE may enroll in DISTRICT sponsored vision insurance. If this is elected, DISTRICT will pay one-hundred percent (100%) of the premium for EMPLOYEE and EMPLOYEE's dependents towards vision insurance premiums.
- (g) Life Insurance: EMPLOYEE will be enrolled in the DISTRICT sponsored group life insurance policy (\$75,000.00 benefit). DISTRICT will pay one-hundred percent (100%) of the premium for this policy.
- (h) Medical Insurance After Retirement:
 - i. Upon retirement, the DISTRICT shall continue to fund the MEC established by the PEMHCA. The retiree may participate in the then current DISTRICT-sponsored health care plan with the balance of the premium to be funded by the retiree.
 - ii. If EMPLOYEE retires from the DISTRICT on or after January 1, 2021 with 10 or more years of DISTRICT service and that employee is determined to be an "Annuitant" of the DISTRICT as that term is defined by the PEMHCA, the DISTRICT will provide that annuitant with a monthly supplemental contribution equal to the premium cost for annuitant only coverage, less any MEC paid by the

Scotts Valley Fire Protection District

Fire Chief Employment Contract

DISTRICT, except that the total of any MEC and supplemental contribution provided by the DISTRICT shall not exceed \$1,000 a month.

iii. If EMPLOYEE meets the criteria to be eligible to receive a monthly supplemental contribution towards health insurance benefits, then the DISTRICT's payment of any monthly supplemental contribution shall continue until the earlier of: (1) the month that includes date the Annuitant becomes eligible to participate in a Medicare plan; (2) the Annuitant's receipt of the equivalent of ten (10) years' worth of contributions; or (3) the Annuitant's death. In no event will an Annuitant's spouse, surviving spouse or surviving family member be eligible to receive any supplemental contribution payment.

iv. If upon service retirement or any time within the eligible reimbursement period, the Annuitant elects to cancel participation in a CalPERS health insurance plan, and enroll in another health plan, the DISTRICT will continue to reimburse Annuitant 100% of the employee-only premium of the new health plan, up the \$1,000 per month maximum contribution. The Annuitant must provide the DISTRICT with proof of enrollment and premium cost annually, typically after open enrollment and/or prior to the start of the new calendar year.

- (i) Vehicle: DISTRICT will provide EMPLOYEE a vehicle for use by EMPLOYEE in the conduct of DISTRICT business, which includes transportation to and from EMPLOYEE's home and work locations. DISTRICT will pay all expenses related to DISTRICT business use of the vehicle including fuel, maintenance, insurance, etc.
- (j) Uniform and Equipment: DISTRICT will provide EMPLOYEE with all DISTRICT required uniform elements and other equipment. The DISTRICT will also provide for maintenance, replacement and/or repair of elements and equipment as needed. The DISTRICT will report, for CalPERS Classic Members, the monetary value of the required uniform elements and equipment replacements, and uniform maintenance and cleaning as special compensation on a quarterly basis not to exceed \$1,200 annually. All issued uniform elements and equipment are and remain the property of the DISTRICT and will be returned to DISTRICT upon EMPLOYEE's retirement or separation.

Scotts Valley Fire Protection District

Fire Chief Employment Contract

- (k) Vacation Leave: EMPLOYEE will accrue vacation credits at the rate of 9.23 hours per two-week pay period (six (6) weeks per year). If/ when the amount accrued reaches 400 hours, EMPLOYEE will cease accruing these credits unless and until the balance is below 400 hours. EMPLOYEE shall notify the President of the Board of Directors and obtain approval prior to taking vacation time away from work. Use of Vacation Leave will be based on a 10-hour day/ 4-day work week.
- (l) Holidays: EMPLOYEE shall be granted the following twelve (12) paid holidays (10-hour day). On a paid holiday EMPLOYEE is not expected to work and will not have his compensation reduced for the absence on that day(s). Holidays falling on a Saturday will be observed on the preceding Friday and holidays falling on a Sunday will be observed on the following Monday. New Year's Day (January 1), Martin Luther King Day (third Monday in January), Presidents' Day (third Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Veterans' Day (November 11), Thanksgiving Day (fourth Thursday in November), Friday after Thanksgiving, Christmas Eve (December 24), Christmas Day (December 25), New Year's Eve (December 31).
- (m) Management Incentive Pay: DISTRICT will pay EMPLOYEE \$11,050 annually as Management Incentive Pay, in 26 equal payments at the same time as regular compensation is paid. This amount will not be considered part of the EMPLOYEE's base pay for purposes of calculating hourly rate or other related payroll calculations; however the entire amount will be reported to CalPERS as compensation. EMPLOYEE Management Pay is paid in accordance with the Chief Officer's MOU. Section 7.03.
- (n) Sick Leave: Sick leave is defined as the need to be absent from duty because of injury, illness, or exposure to a contagious disease, of EMPLOYEE and/or his immediate family.
- (o) The DISTRICT shall provide 11.08 hours of sick leave for each two-week pay period. Sick leave may be accumulated indefinitely. Use of Sick Leave will be based on a 10-hour day/ 4 day work week.

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Fire Chief Employment Contract

- (p) Bereavement Leave: EMPLOYEE shall be entitled to Bereavement Leave pursuant to DISTRICT policy.
- (q) Upon retirement EMPLOYEE may cash out up to 5% of accrued sick leave hours up to a maximum of 200 hours. Payment for sick leave hours will be at employee's base hourly rate.

4. PERFORMANCE EVALUATIONS

- (a) DISTRICT and EMPLOYEE acknowledge the importance of open and direct communication regarding EMPLOYEE's job performance. Annually, the DISTRICT shall review the EMPLOYEE's performance to determine, among other things, entitlement of any salary increase (including merit and/or cost-of living adjustment) or other amendments to this contract. When the Board determines it necessary or appropriate, it may conduct performance evaluation(s) more frequently. The evaluation shall be related to the duties and responsibilities of Fire Chief as set forth in this agreement and DISTRICT policy. The evaluation shall be in writing and should include the following elements:

- Goals and objectives jointly established by the DISTRICT and EMPLOYEE
- Employee self-evaluation
- Relationship with the Board
- Relationship with the community
- Overall Fire DISTRICT leadership
- Fire DISTRICT business and operations leadership
- Personnel leadership
- Personal qualities and development

The evaluation format shall assess overall performance as well as specific criteria and shall provide for a rating system indicating:

- Outstanding
- Successfully completed
- Progressing satisfactorily
- Making little progress
- Unsatisfactory

Scotts Valley Fire Protection District

Fire Chief Employment Contract

- (b) The Board shall meet in closed session to the extent permitted by law to perform this evaluation. It may meet without the EMPLOYEE present in order to establish one, single evaluation, which shall then be presented to the EMPLOYEE as the evaluation of the DISTRICT.
- (c) This Section does not, and will not, convert EMPLOYEE's status to 'for cause' employment. The parties understand and agree that EMPLOYEE's status is at the will of both parties as described elsewhere in this Contract (see Sections 1 & 5).

5. TERMINATION

This contract may be terminated only as follows:

- (a) During the term of this contract, EMPLOYEE may terminate this contract at any time by giving DISTRICT written notice 90 days in advance.
- (b) During the term of this contract, DISTRICT may only terminate this contract by dismissing EMPLOYEE for just cause. Such decision must be by a four-fifths (4/5) majority vote of the Board of Directors meeting in full session.
- (c) EMPLOYEE shall notify DISTRICT in writing within 120 days prior to the normal termination date of this contract of his intent regarding renewal or non-renewal of this contract. If EMPLOYEE elects to renew this contract, the DISTRICT may determine not to renew this contract. In that case, DISTRICT shall notify EMPLOYEE within 90 days prior to the normal termination date of this contract of its intent to not renew this contract. If EMPLOYEE notifies DISTRICT of his intent to renew this contract and DISTRICT does not notify EMPLOYEE of its intent to not renew this contract, then this contract shall continue in full force and effect for a period of one (1) year after the termination date herein.
- (d) Upon renewal of the contract by agreement of both parties, the parties agree and understand that the terms and conditions of the renewed contract may be renegotiated.

6. GENERAL PROVISIONS

- (a) This written contract shall constitute the entire agreement between the parties. Any prior agreements, whether written or verbal, are superseded entirely and replaced exclusively by this written agreement.

Scotts Valley Fire Protection District

Fire Chief Employment Contract

- (b) This contract shall be binding upon and insure to the benefit of the heirs at law and executors of EMPLOYEE.
- (c) If any provisions or any portion thereof contained in this contract is held invalid by a court of competent jurisdiction, the remainder of this contract shall be deemed severable and shall not be affected and shall remain in full force and effect.
- (d) This contract may be modified or extended upon the written consent of the DISTRICT and EMPLOYEE. Any such modification or extension shall be reduced to writing, signed by both parties and be attached to this Contract as an Amendment or Addendum.
- (e) Both parties agree to keep the other party apprised of their current physical address for the purposes of any notice required under any provision of this contract.
- (f) Both parties acknowledge that they have reviewed this contract in its entirety and understand all the provisions thereof. The parties further acknowledge that they have had the opportunity to consult legal counsel regarding this contract and/or any portion of this contract and have either consulted legal counsel or waived the right to consult legal counsel.
- (g) The DISTRICT shall defend, indemnify, and hold harmless EMPLOYEE for all losses sustained by him in the performance of duties in the course and scope of employment under this Contract

7. DISPUTE RESOLUTION

- (a) In the event a dispute arises over the terms of this Agreement or any actions of the parties taken pursuant to the terms of this Agreement, and the dispute remains unresolved for a period of 30 calendar days, the parties agree that the sole and exclusive avenue of recourse is to submit the dispute to binding arbitration pursuant to California Code of Civil Procedure Section 1280 et seq. Either the DISTRICT or the EMPLOYEE may request that the dispute be submitted to arbitration. This provision shall not apply to disputes between the EMPLOYEE and the DISTRICT regarding salary. A dispute shall arise when either party notifies the other in writing that a dispute exists.

Scotts Valley Fire Protection District

Fire Chief Employment Contract

- (b) The DISTRICT and the EMPLOYEE shall attempt to agree upon an arbitrator. If no agreement can be reached, either party may request that the State of California Conciliation and Mediation Service provide a panel of five (5) names of experienced arbitrators. Each party shall alternatively strike a name until one name remains. The EMPLOYEE shall strike first. The remaining panel member shall be the arbitrator.
- (c) The arbitrator's decision shall be in writing, setting forth the findings of fact, reasoning and conclusions on the issues submitted. The arbitrator is empowered to include in any award only such financial reimbursement or severance pay as may be allowed by this Agreement. The decision of the arbitrator will be submitted to the DISTRICT and the EMPLOYEE and will be final and binding upon the parties.
- (d) By mutual agreement, the parties may request an expedited arbitration process, according to the guidelines and arbitrators provided by the Judicial Arbitration and Mediation Service (JAMS), Silicon Valley, CA.
- (e) All cost for the service of the arbitrator will be borne equally by the DISTRICT and the EMPLOYEE. Each party shall bear their own attorney's fees and attorney's costs

In witness whereof, DISTRICT has caused this contract to be signed on its behalf by the DISTRICT Board President, and duly attested by the Secretary to the Board, the EMPLOYEE has signed this document on the date listed below, which is on or before the date written above.

For the District:

Employee:

Date Signed:

Date Signed:

Attest:


Date Signed:



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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

Salary Schedule	Time Base	7/1/2020	10/31/2020	Step %
Secretary Receptionist A	Hourly	\$26.85	\$26.85	
Secretary Receptionist B	Hourly	\$28.19	\$28.19	5%
Secretary Receptionist C	Hourly	\$29.60	\$29.60	5%
Administrative Secretary A	Monthly	\$5,901.67	\$5,901.67	15%
Administrative Secretary B	Monthly	\$6,197.07	\$6,197.07	5%
Administrative Secretary C	Monthly	\$6,506.19	\$6,506.19	5%
Firefighter Step 1	Monthly	\$7,356.96	\$7,356.96	
Firefighter Step 2	Monthly	\$7,724.08	\$7,724.08	5%
Engineer Step 1	Monthly	\$8,113.04	\$8,113.04	5%
Engineer Step 2	Monthly	\$8,741.20	\$8,741.20	8%
Engineer Step 3	Monthly	\$9,179.04	\$9,179.04	5%
Engineer Step 4	Monthly	\$9,637.68	\$9,637.68	5%
Paramedic Incentive FF/ENG	Monthly	\$772.41	\$772.41	
Haz Mat Incentive Engineer Step 1	Monthly	\$405.65	\$405.65	
Haz Mat Incentive Engineer Step 2	Monthly	\$437.06	\$437.06	
Haz Mat Incentive Engineer Step 3	Monthly	\$458.95	\$458.95	
Haz Mat Incentive Engineer Step 4	Monthly	\$475.00	\$475.00	
Captain Step 1	Monthly	\$10,600.72	\$10,600.72	10%
Captain Step 2	Monthly	\$11,025.04	\$11,025.04	4%
Captain Step 3	Monthly	\$11,466.00	\$11,466.00	4%
Administrative Captain Step 1	Monthly	\$11,025.04	\$11,025.04	4%
Administrative Captain Step 2	Monthly	\$11,466.00	\$11,466.00	4%
Administrative Captain Step 3	Monthly	\$11,924.64	\$11,924.64	4%
Paramedic Incentive Captain	Monthly	\$231.72	\$231.72	
Haz Mat Incentive Captain	Monthly	\$475.00	\$475.00	
Battalion Chief Step 1	Monthly	\$13,185.12	\$13,185.12	15%
Battalion Chief Step 2	Monthly	\$13,581.36	\$13,581.36	3%
Battalion Chief Step 3	Monthly	\$13,989.04	\$13,989.04	3%
Battalion Chief Management Incentive	Monthly	\$920.83	\$920.83	
Fire Chief A	Monthly	\$16,086.72	\$16,086.72	15%
Fire Chief B	Monthly	\$16,489.20	\$16,489.20	2.5%
Fire Chief C	Monthly	\$16,901.04	\$16,901.04	2.5%
Fire Chief Management Incentive	Monthly	\$758.33	\$920.83	
		7/1/2020	7/1/2020	1/1/2021
Paid Call Firefighter (PCF)	Hourly	\$13.00	\$13.00	\$14.00
Hydrant Maintenance Worker	Hourly	\$18.00	\$18.00	\$18.00
Firefighter 1 (Minimum Shift Staffing)	Hourly	\$30.32	\$30.32	\$30.32

Scotts Valley Fire Protection District	
POLICY: 1608	SUBJECT: Reserve Guidelines
DATE APPROVED: 10/14/2020	
BOARD PRESIDENT: _____	FIRE CHIEF: _____

PURPOSE

To provide guidelines to consider when establishing Reserve Accounts and reasonable asset allocation levels sufficient to support Scotts Valley Fire Protection District (SVFPD) operations, debt services and economic financial stability, as determined by the Board. The Board recognizes the maintenance of a fund balance is essential to the SVFPD's financial integrity and is fiscally advantageous to both the agency and taxpayers. This policy provides guidance regarding the desired fund balance levels to mitigate financial risk and ensure adequate financial resources to safeguard to SVFPD against unforeseen revenue fluctuations, unanticipated expenditures or emergencies.

POLICY

1. Reserve funds may be established from time to time by the Board as an important component of sound financial management to meet both short and long-term financial objectives, and to ensure prudent financial management practices.
2. The Board of Directors shall be responsible for the oversight of all District fund accounts and balances. Changes to the existing fund balances, establishing new fund accounts, and authorizing expenditures for fund balances shall require action by the Board.
3. The Finance Committee shall review fund balances and recommend changes to fund balances for the upcoming fiscal year to be presented to the full Board of Directors prior to the adoption of the Final Budget.
4. All expenditures or transfers between reserve funds shall be approved by the Board of Directors.


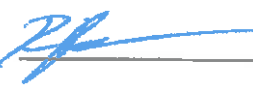

FUNDS

Reserve Account	Purpose	Minimum Amount
General Fund Operating Reserves	Funds utilized during the District's Dry Period Funding (July-December)	\$1,000,000
California Employers' Retiree Benefits Trust (CERBT)	Other Post Employment Benefits (OPEB) – Retiree Healthcare	\$155,000
Capital Outlay Fund Apparatus and Equipment	Facilities, Apparatus and Equipment Replacement	As per the Apparatus and Equipment Replacement Schedule

Reserve levels above the minimum amounts should be used to prepay existing debt, with priority given to additional CERBT prefunding and the California Employers' Pension Prefunding Trust (CEPPT) and/or paying down the CalPERS Unfunded Accrued Liability (UAL).

The minimum reserve amounts will be calculated and reaffirmed annually in the budget adoption process. The District will make every attempt to maintain the minimum amounts. When the reserves are depleted or fall below the established amounts, a plan for replenishment shall be developed as part of the annual budget.

This policy is not intended to set strict limits that must be adhered to in a vacuum. Instead, these guidelines are intended to serve as a decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on the level of cash on hand.

Scotts Valley Fire Protection District		
POLICY: 1608	SUBJECT: Reserve Guidelines	
DATE APPROVED: 12/12/2018		
BOARD PRESIDENT: 	FIRE CHIEF: 	

PURPOSE

To provide guidelines to consider when establishing Reserve Accounts and reasonable asset allocation levels sufficient to support Scotts Valley Fire Protection District (SVFPD) operations, debt services and economic financial stability, as determined by the Board. The Board recognizes the maintenance of a fund balance is essential to the SVFPD's financial integrity and is fiscally advantageous to both the agency and taxpayers. This policy provides guidance regarding the desired fund balance levels to mitigate financial risk and ensure adequate financial resources to safeguard to SVFPD against unforeseen revenue fluctuations, unanticipated expenditures or emergencies.

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2. The Board of Directors shall be responsible for the oversight of all District fund accounts and balances. Changes to the existing fund balances, establishing new fund accounts, and authorizing expenditures for fund balances shall require action by the Board.
3. The Finance Committee shall review fund balances and recommend changes to fund balances for the upcoming fiscal year to be presented to the full Board of Directors prior to the adoption of the Final Budget.
4. All expenditures or transfers between reserve funds shall be approved by the Board of Directors.

FUNDS

Type	Description	Recommended Amount
Operating Reserve	Funds utilized during the District's Dry Period Funding (July-December)	\$1,000,000
Emergency Reserve	Funds utilized for unbudgeted, unforeseen Events that may occur	\$200,000
Apparatus and Equipment Reserve	Capital Outlay Funds for Apparatus and Equipment Replacement	As per the Apparatus and Equipment Replacement Schedule

The target reserve level will be calculated and reaffirmed annually in the budget adoption process. The District will make every attempt to maintain target levels. When the reserves are depleted or fall below the established levels, a plan for replenishment is developed as part of the annual budget.

The policy is not intended to set strict limits that must be adhered to in a vacuum. Instead, these guidelines are intended to serve as a decision-making tool in planning for and evaluating activities or transactions that could have a significant impact on the level of cash on hand.

2020 Local Agency Biennial Notice

Name of Agency: Scotts Valley Fire Protection District
Mailing Address: 7 Erba Lane, Scotts Valley, CA 95066
Contact Person: Ron Whittle Phone No. 831.438.0211
Email: rwhittle@scottsvalleyfire.com Alternate Email: awalton@scottsvalleyfire.com

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☒ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☐ Include new positions
- ☐ Revise disclosure categories
- ☐ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) _____

☐ **The code is currently under review by the code reviewing body.**

☐ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.


Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2020**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

Scotts Valley Fire Protection District	
POLICY: 2000	SUBJECT: Conflict of Interest Code
DATE APPROVED: 10/14/2020	
BOARD CHAIR: _____	FIRE CHIEF: _____

CONFLICT OF INTEREST CODE

GENERAL PROVISION

California Government Code Section 87100: No public official at any level of state or local government shall make, participate in making or in any way attempt to use their official position to influence a governmental decision in which he/she knows or has reason to know he/she has a financial interest.


A designated member is required to disclose that he or she is a director, officer, partner, trustee, employee, or holds any position of management, in a business entity if he or she would be required to disclose income from that entity. Income includes loans and gifts. For purposes of disclosure, "interest in real property" does not include the principal residence of the filer or any other property which the filer utilizes exclusively as the personal residence of the filer.

CATEGORY 1

- A. Any interest in real property located within the boundaries of the Scotts Valley Fire Protection District (SVFPD) or within 2 miles of the boundaries of the SVFPD.
- B. Any investment or income, as defined by this Code, including loans, gifts and business positions, in or from any person or business entity that manufactures, leases, sells, or repairs any goods, services, equipment or other items purchased by the SVFPD.
- C. Any investment or income, as defined by this Code, including loans, gifts and business positions, in or from any person or business entity which owns, or during the past twelve months owned, an interest in real property located within the boundaries of the Scotts Valley Fire Protection District or within 2 miles of the boundaries of the SVFPD.
- D. Any income, as defined by this Code, including loans or gifts, from any person who is employed by or applies for employment with the SVFPD.
- E. Any investment or income, as defined by this Code, including loans or gifts and business positions, in or from any person or business entity which does, is seeking, or during the last 12 months did or sought to do business within the boundaries of the SVFPD, or within 2 miles of the boundaries of the SVFPD

2 Cal. Code Regs. Section 18730:

18730. Provisions of Conflict of Interest Codes.

Scotts Valley Fire Protection District	
POLICY: 2000	SUBJECT: Conflict of Interest Code

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

Section 2. Designated Employees.


The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and
- (C) The filing officer is the same for both agencies.¹

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Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code².

Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.


(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

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- (2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.


Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investments and Real Property Disclosure.

When an investment or an interest in real property³ is required to be reported⁴, the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;

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4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported⁵, the statement shall contain:


1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported⁶, the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly

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acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

Section 8.1 Prohibition on Receipt of Gifts in Excess of \$420.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.


Section 8.2. Loans to Public Officials.

Loans to public officials shall be subject to Sections 87460 to 87462 of the California Government Code.

Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

- (A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

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- (B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- (C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

Section 9.5. Disqualification of State Officers and Employees.


In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

- (A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or
- (B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

Section 11. Assistance of the Commission and Counsel.

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Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000 - 91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

¹ Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.


² See Government Code section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principle residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

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Appendix

Members and disclosure categories are:

<u>Position</u>	<u>Disclosure Category</u>
Governing Board Members (Automatically Required)	1
District Legal Counsel (Automatically Required)	1
Fire Chief (Automatically Required)	1

Designated Members and disclosure categories are:

<u>Position</u>	<u>Disclosure Category</u>
Battalion Chief	1
Administrative Captain/Fire Marshal	1



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: October 14, 2020
To: Board of Directors
From: Chief Kovacs
Subject: October Administrative Report

Incident Type	July		August		September		Year To Date	
	2019	2020	2019	2020	2019	2020	2019	2020
Fires	4	7	8	10	8	7	36	59
Explosion / Rupture	0	0	0	0	0	0	1	0
EMS	116	91	102	78	120	76	972	793
Hazardous Condition	5	5	7	8	6	3	68	50
Service Calls	17	30	20	17	23	14	169	144
Good Intent	25	37	31	35	37	42	309	305
False Alarms	13	13	18	22	22	18	123	132
Severe Weather	0	0	0	0	0	0	3	3
Totals	180	183	186	170	216	160	1681	1486

Operations

- All apparatus are in service.
- Both type 3 Engines and crews were released from the CZU complex
- All Line Medics assigned to the CZU complex were released
- Both Type 3 engines were serviced after the CZU Complex
- E2537 was deployed as part of XCZ2331C to Porterville and then deployed up to LNU for the Glass Fire and all crews are doing well
- BC McNeil deployed as STEN replacement to LNU Glass Fire

Training

- FF Smith and FF Smiley have successfully completed their Firefighter I written and manipulative testing
- EMS: Blood-borne/Airborne Pathogens and Exposure Prevention
- Safety: Handling gas and electrical hazards along with aerial firefighting drop safety
- Post fire decontamination procedure review

Administration

- Secretary Receptionist Bridges completed 2 car seat inspections in the month of September

Board of Directors

Robert Campbell Edward Harmon Joseph Parker Russ Patterson Daron Pisciotta

- We appreciate the large number of CZU Lightning Complex Fire Thank You Letters we received from the Community and beyond

Prevention/Community Risk Reduction

- Inspections – 18 (LE 100 WUI Inspections), 3 Other Inspections
- Permits/Plan Checks – 6
- Hazard Complaint Inspections – 6
- Meetings Attended – 3
- Training – Completed Plan Examiner 1A

Fire Chief Activities:

- Finance Meeting
- XCZ Operational Area Meetings
- State OES Conference Calls (Weekly)
- FDAC EBA Meeting
- Interagency Meeting
- Board Meeting
- KSCO Radio Interview
- Operational Area Coordinator Coverage
- SCCFAIG Meeting
- County Chiefs Meeting
- EMSIA Meeting
- FDAC Meeting
- Legislative Conference Call
- Staff Meeting



September 21, 2020

Steve Kovacs, Fire Chief
Scotts Valley Fire District
7 Erba Lane
Scotts Valley, CA 95066
c/o Steve Kovacs, skovacs@scottsvalleyfire.com

Dear Chief Kovacs,

On behalf of our entire team in Kaiser Permanente's Greater San Jose Area, which includes our San Jose Medical Center, Gilroy, Watsonville, Santa Cruz, & Scotts Valley medical offices, we would like to express our utmost appreciation for all that you and your teams are doing during these challenging times. In addition to supporting our community needs, you are our heroes battling fires across California to keep us safe. We thank you for your bravery and dedication each and every day.

In your honor we will be presenting you with a virtual kudo board containing messages of thanks and appreciation from our team members. Click [here](#) to view the kudo board. Also, we are thrilled to share that we have put up signs and banners at our medical offices throughout the County with the phrase, "Thank You Firefighters," expressing our gratitude for all that you do.

Thank you for your valor. Thank you for protecting our communities. Thank you for being heroes.

Respectfully,

A handwritten signature in black ink that reads "Irene Chavez".

Irene Chavez
Senior Vice President and Area Manager
Kaiser Foundation Hospital & Health Plan

A handwritten signature in black ink that reads "Efren Rosas".

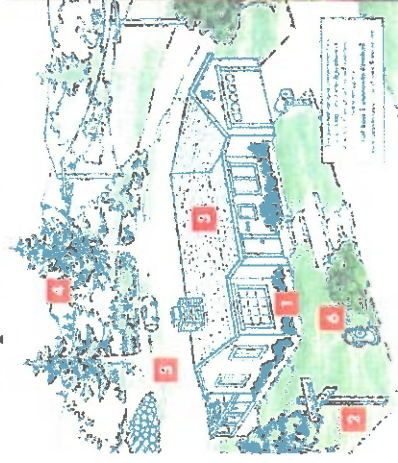
Dr. Efren Rosas
Physician In Chief
The Permanente Medical Group

A handwritten signature in black ink that reads "Priya Smith".

Priya Smith
Medical Group Administrator
The Permanente Medical Group

To Cal-Fire, Santa Cruz County, City of Scotts, SVFD, SVPD, and others not know to us!

**You showed us how
to protect our homes.**



You guided us on how to be prepared.



You prepared us to be ready to go.



**And when the time came, you
protected us & our homes;**



**and then you returned us to
our homes safe and sound!**



Please, know that no amount of words can express our admiration, our appreciation and our gratitude.

*Thank you
Ron & Rose*

***Ron & Rose Dornseif, 141 Spreading Oak Drive, Scotts Valley
Members of the Hidden Glen Property Owner's Association***

September 7th
2020



Does someone need a hug?

Dear Scotts Valley Fire District,

We wish to thank you
for all your ongoing good
work during the CZU complex
fire. It has been most reassuring
to get the daily updates on contain-
ment and to see the helicopters
flying overhead. Thank you for all
your exemplary professionalism
and bravery. With our deepest
appreciation,

Alan & Susan Schwartz

Our deepest gratitude to all of you for your
work on The 12 Lightning Complex Fire. Although we were
evacuated, we were fortunate to have no damage
to our home and trees. We know that the story could
have had a very different ending for us, were it not
for all your dedication and hard work.

We are so happy to have returned to our
beloved home!

Gratefully,

Ray and Bonnie Harris