



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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

Board of Directors

Agenda

Wednesday, June 14, 2023, 6:00 P.M.

Scotts Valley City Hall

One Civic Center Drive, Scotts Valley CA 95066

Agendas and Board Packets are available on the Scotts Valley Fire Protection District (SVFPD) website at www.scottsvalleyfire.com.

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

1. Call to Order

1.1 Pledge of Allegiance and Moment of Silence

1.2 Roll Call

2. Public Comment (GC §54954.3)

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

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

4. Consent Calendar

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

4.1 Minutes: Approve Regular Board Meeting Minutes of May 10, 2023

4.2 Approve SVFPD Claims Disbursements for the Month of May 1, 2023 through May 31, 2023 in the Amount of:

Payroll and Benefits:	\$678,598.88
General Fund:	\$ 54,273.28
Capital Outlay:	\$ 1,120.69
SCHMIT:	<u>\$126,302.22</u>
TOTAL:	\$860,295.07

4.3 Authorize Payment to CalPERS in the amount of \$988,365 for the Safety Plan's Unfunded Liability Annual Lump Sum Prepayment Option to be Paid After July 1, 2023, for the 2023/2024 Fiscal Year

4.4 Approve Surplus Equipment List

**Scotts Valley Fire Protection District
Board of Directors Meeting for June 14, 2023
Agenda**

5. Discussion Items

- 5.1 Branciforte Annexation Update - *Ad-Hoc Committee*
- 5.2 Fire Station Bond Measure Update

6. Action Items – Discussion/Action

- 6.1 Appoint Fire Chief Mark Correia as the District’s Designated Representative for the Santa Cruz County Fire Agencies Insurance Group and the Emergency Medical Services Integration Authority – Effective 6/24/2023
- 6.2 Approve New Policy 808 Outside Employment
- 6.3 Accept and File District Plan for Services for Branciforte Fire Reorganization
- 6.4 Accept and File SVFPD ISO Public Protection Classification Effective 9/2023

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

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

- 7.1 Board of Directors Report – *Directors*
- 7.2 Administrative Report – *Chief Officers*

8. Correspondence

- 8.1 Thank You Note

9. Closed Session: Government Code §54957.7

- 9.1 Public Employee Appointment/Public Employment (Government Code § 54957)
Title: Fire Chief

10. Open Session – Discussion/Action

- 10.1 Report on Closed Session: Government Code §54957.1
- 10.2 Approve Fire Chief Employment Agreement

11. Request for Future Agenda Items

12. Adjournment

Next Regularly Scheduled Board Meeting:
Wednesday, July 12, 2023 at 6:00 p.m.



SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, California 95066

(831) 438-0211

Fax (831) 438-0383

MINUTES OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT BOARD OF DIRECTORS REGULAR MEETING OF May 10, 2023

1. Call to Order

The Regular Meeting of the Board of Directors of the Scotts Valley Fire Protection District (SVFPD) was held on Wednesday, May 10, 2023 at the City of Scotts Valley Council Chambers. President Pisciotta called the meeting to order at 6:22 p.m.

1.1 Pledge of Allegiance and Moment of Silence

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

1.2 Roll Call

- | | |
|-------------------------|--|
| A. Directors Present: | Directors Cosner, Hurst, Parker, Patterson (<i>via teleconference</i>) and Pisciotta |
| B. Directors Absent: | None |
| C. Fire District Staff: | Chief Whittle, Battalion Chief Stubendorff and Administrative Services Manager Walton |

2. Public Comment (GC §54954.3)

None

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

Chief Whittle stated that there was an amendment to the Agenda adding Item 11.1 to Report on Closed Session. A copy of the amended Agenda was presented.

4. Consent Calendar

4.1 Minutes: Approve Regular Board Meeting Minutes of April 12, 2023

4.2 Minutes: Approve Special Board Meeting Minutes of April 26, 2023

4.3 Approve SVFPD Claims Disbursements for the Month of April 1, 2023 through April 30, 2023 in the Amount of:

<u>Payroll and Benefits:</u>	\$ 475,458.90
<u>General Fund:</u>	\$ 612,621.08
<u>Capital Outlay</u>	\$ 1,198.60
<u>SCHMIT:</u>	\$ 6,096.19
<u>TOTAL:</u>	\$1,095,374.77

On motion of Director Hurst seconded by Director Cosner to Approve the Consent Calendar Items 4.1 thru 4.3 was approved by the following vote:

AYES:	Cosner, Hurst, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 10, 2023

5. Discussion Items

5.1 Branciforte Annexation Update – Ad Hoc Committee

Chief Whittle reported that he received an updated timeline from LAFCO for the BFPD Annexation with a completion date in October of this year, which is consistent with the previous timelines. The Benefit Assessment will go to the voters in June and we should have the outcome in July. I have completed a station use plan for the Branciforte Station in the event the Benefit Assessment does not pass, which will be to keep the station maintained and in a state of readiness but not staffed. The plan will be presented at the Ad Hoc Committee Meeting next week.

6. Action Items – Discussion/Action

6.1 Approve Contract with RRM Design for Architectural Services

Chief Whittle stated that SVFPD Legal Counsel made edits to the Contract, which were approved by RRM Design.

On motion of Director Cosner seconded by Director Parker to *Approve the Contract with RRM Design* was approved by the following vote:

AYES:	Cosner, Hurst, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

6.2 Approve Resolution 2023-6 Appointing Bond Counsel and Municipal Advisor

Chief Whittle stated that it is necessary to appoint Bond Counsel and Municipal Advisor in connection with the legal and financial work required to conduct a Special Election and subsequent issuance of General Obligation Bonds for the Construction of the new Fire Station. The recommendation is to adopt Resolution 2023-6 appointing Bond Counsel and Municipal Advisor and authorize the Fire Chief or Board President to execute the corresponding consulting agreements on behalf of the SVFPD.

On motion of Director Cosner seconded by Director Pisciotta to *Approve Resolution 2023-6 Appointing Bond Counsel and Municipal Advisor and Authorize the Fire Chief or Board President to Execute the Corresponding Consulting Agreements on Behalf of the SVFPD* was approved by the following vote:

AYES:	Cosner, Hurst, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

6.3 Adopt Resolution 2023-5: Resolution Adopting Preliminary Budgets for Fiscal Year 2023/2024

<u>685010</u>	<u>General Fund:</u>	\$12,599,481
<u>685030</u>	<u>Capital Outlay/Zone A:</u>	\$ 2,434,957
<u>685040</u>	<u>SCHMIT:</u>	\$ 487,195

Set public hearing for adoption of the final budget for the August 9, 2023, Regular Board Meeting: 6:00 P.M.

Direct staff to publish a public hearing notice and make the budget available for public review

Chief Whittle explained that the preliminary budget must be adopted by June 30th and the final budget by October 1st each year. The Preliminary Budget 2023/2024 Fiscal Year (FY) was included in the board packet and Chief Whittle reported on the following:

General Fund – 685010

- The estimated beginning fund balance is \$3,136,477.
- As recommended by the Auditor's Office, an estimated 4% increase in property tax has been budgeted.
- Revenue from Plan Check and Inspection Fees are estimated at \$50,000, while the estimated expenditures for contract plan check and inspection services are \$6,000.
- Revenue from the SCHMIT administrative cost is \$6,000.

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 10, 2023

- The Salary and Benefits Budget includes the regular salary increase of 3% for safety and 4% for Admin.
- Earlier this FY, the Board approved payment in full of the CalPERS Miscellaneous Plan UAL so there will be no UAL payment due for the 2023/2024 FY and this will be reflected in the Final Budget.
- The total amount budgeted for CalPERS is \$1,826,480 minus \$23,956 for the Miscellaneous Plan UAL.
- An estimated 10% health insurance increase effective January 1, 2024 has been budgeted. Retiree health insurance is budgeted at \$100,298, which is an increase of \$11,242 from last FY.
- The estimated Workers Comp insurance is \$506,784 which is an increase of 34% from last FY.
- The Services and Supplies budget is \$865,157, which is a decrease of \$16,522 from last FY.
- The contribution to Other Agencies is the SVFPD share of LAFCO and is estimated at \$9,000, which may increase slightly for the final budget; as well as, contributions of \$155,000 to the OPEB Trust and \$150,000 to the Pension Prefunding Trust.
- A \$1,000,000 transfer to Capital Outlay/Zone A is budgeted and \$250,000 in Contingencies.
- The General Reserves is budgeted at \$1,450,674 in accordance with SVFPD Policy 1608.

Capital Outlay/Zone A – 685030

- The beginning fund balance is estimated at \$1,284,634.
- Revenue consists of Zone A Tax collection of \$140,349, \$1,000,000 transfer-in from the General Fund and \$5,000 in interest for a total budget of \$2,434,957.
- Besides Auditing and Accounting costs, equipment purchases include two (2) new Lifepak 15 monitor/defibrillators that will be purchased as part of a countywide purchase through AMR and turnout dryers for the Glenwood Station.
- For the La Madrona Fire Station, \$581,652 is budgeted for the architect contract, \$50,000 for permits and fees and \$1,000,000 for construction costs. Election costs of \$87,000 is budgeted for the November Bond Election.
- The General Reserves is budgeted at \$350,407 for future projects and \$200,000 for Contingencies.

SCHMIT – 685040

- The beginning fund balance is estimated at \$225,000. An increase of 20% has been applied.
- The Service and Supplies budget is \$88,024, which includes a \$6,000 charge to manage the program.
- Personnel costs include \$20,000 for reimbursement to response agencies in the event of an activation and \$240,000 for differential costs for the response agencies, which increases the amount per Tech from \$5,000 to \$8,000.

On motion of Director Parker seconded by Director Cosner to Adopt Resolution 2023-5 Adopting Preliminary Budgets for Fiscal Year 2023/2024, Set Public Hearing for Adoption of the Final Budget for August 9, 2023, Direct Staff to Publish a Public Hearing Notice and make the Budget Available for Public Review was approved by the following vote:

AYES:	Cosner, Hurst, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

6.4 Approve Draft Letter to Board of Supervisors Regarding Allocation of Proposition 172 Funds

Chief Whittle explained that in 1992, California Legislature and Governor Wilson instructed county auditors to shift local property tax revenues from local government to “educational revenue augmentation funds” (ERAF). Specified amounts of city, county and special district taxes (\$746,115 shifted from the SVFPD in the 2021/2022 FY) were deposited into these funds to support schools. To cushion the impact, voters approved a ½ cent sales tax dedicated to local public safety including sheriff, police, fire, county district attorneys and corrections. The County has full discretion on the use and distribution of Proposition 172 Funds to support public safety programs. In the 2021/2022 FY, the county allocated \$20,591,013 in Proposition 172 funds and the Santa Cruz County Fire Chiefs Association received only \$89,421 which represents 0.43% of the total funds. All local Fire Agencies Board of Directors will be submitting letters requesting the Board of Supervisors consider a more equitable adjustment to the current allocation of the Proposition 172 funds provide to the Santa Cruz County Fire Chief Association.

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 10, 2023

On motion of Director Cosner seconded by Director Pisciotta to Approve Letter to Board of Supervisors Regarding Allocation of Proposition 172 Funds was approved by the following vote:

AYES:	Cosner, Hurst, Parker, Patterson and Pisciotta
NOES:	None
ABSENT:	None
ABSTAIN:	None

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

7.1 Board of Directors Report – Directors

Director Hurst stated that the Finance and Planning Committee met to review the Preliminary Budget, which was clearly presented and the SVFPD finances are in order.

Director Cosner reported that the Negotiation Committee met to review the Fire Chief Employment Contract, which will be discussed in Closed Session.

7.2 Annual SCHMIT Report – Chief Whittle

The SCHMIT Report was included in the board packet and Chief Whittle reported on the following:

- There were no team activations in 2022.
- The four quarterly trainings have been completed by RW Jones.
- There are currently 30 reimbursable positions.
- Over the years, the SCHMIT Budget has not been adjusted for the increases in personal cost and the participating agencies have been subsidizing the program (last year the SVFPD subsidized \$24,000). To correct this, the budget has been increased by 20% to increase the reimbursement for participating agencies providing Haz Mat Response Personal to the SCHMIT Program as it is the responsibility of the County to have a Haz Mat Program.

7.3 Administrative Report – Chief Officers

The Administrative Report was included in the board packet and Chief Whittle reported on the following:

- Admin staff attended a virtual MS Teams meeting for an overview on the new OES reimbursement system, MARS (Mutual Aide Reimbursement System).
- Admin staff attended Zoom meeting presentation from Fire Risk Management Services (FRMS), which is the consolidation of FASIS and FDAC EBA (SVFPD Life and Vision Insurance).
- Admin Manager Walton attended a CalPERS online training for Congo's Reports and Payroll Adjustments.
- Santa Cruz City Fire Captain Brian Tracy passed away after a well fought and lengthy battle with cancer. His procession was on April 20th and the SVFPD sent an engine to SC to cover and BC duty coverage. Thoughts and prayers to his family, and the Santa Cruz Fire Department.
- The SVFPD acquired 50 Motorola portable radios including remote mics from the San Jose Fire Department. These portable radios are in good condition and being thoroughly gone through by Engineer Laine. Future plans for the radios, is to purchase batteries and charging stations and issue each crew member a portable radio for on-duty use. The portable radios are intended to be used while the SVFPD waits for the outcome of the AFG grant. The current BK portable radios will remain on all engines.
- Battalion Chief McNeil attended Recycled Water Site Superior training put on by the Scotts Valley Water District. This training is mandatory for all recycled water users and refresher training every two years. Currently only station two is using recycled water.
- E2510 was towed to San Leandro for oil leaking into the coolant side. Both oil and coolant were flushed/cleaned and parts replaced.

SCOTTS VALLEY FIRE PROTECTION DISTRICT
Regular Board Meeting May 10, 2023

- All crews participated in the County block training in Santa Cruz. The training was at an acquired large building. Crews were tasked with advancing hose lines and rescuing a down firefighter. All engine companies and BCs attended the training.
- Engine companies and Battalion Chiefs have been participating in Code Red drills with Scotts Valley Schools.
- BC McNeil and I met with representatives from Local 3577 regarding our current and future medical physical standards, and provider. We hope to transition to a new company this fall.
- I attended a ribbon cutting ceremony for a new solar cell manufacturing company in Scotts Valley called Ambient Photonics.
- I've spent much time working with legal counsel to finalize the RRM Architectural contract, Bond Counsel contract and the Financial Consulting contract.

8. Correspondence

None

9. Request for Future Agenda Items

None

10. Closed Session: Government Code §54957

- 10.1 Labor Negotiations: Government Code §54957.6
Conference with Labor Negotiators, Directors Cosner and Parker
Fire Chief Contract

At 7:02 p.m., President Pisciotta announced that the Board would be going into Closed Session for the purposes listed in Item 10.1.

11. Open Session – Discussion/Action

- 11.1 Report on Closed Session: Government Code §54957.1

At 7:24 p.m., the Board reconvened to Open Session. President Pisciotta reported that for Item 10.1, the Board discussed terms of proposed Fire Chief Agreement and gave direction to the SVFPD Negotiators. No action was taken.

12. Adjournment

The meeting was adjourned at 7:24 p.m.

ATTEST

Daron Pisciotta
Board President

Ron Whittle
Board Secretary

Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object

Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure:	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC												
Character: 50 – SALARIES AND EMPLOYEE BENEF												
Object: 51000 – REGULAR PAY-PERMANENT												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	51000	-134,836.35	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	51000	-135,229.88	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	51000	-135,447.46	PAYPERIOD 11PAYDATE 06022023		
Total 51000 – REGULAR PAY-PERMANENT									-405,513.69			
Object: 51005 – OVERTIME PAY-PERMANENT												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	51005	-15,850.60	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/11/2023	DU96425	DU96425	Expenditures	685010	50	51005	1,200.00	FC3 Instructor-Green CK#51586	C99999	
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	51005	-17,080.37	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	51005	-16,246.60	PAYPERIOD 11PAYDATE 06022023		
Total 51005 – OVERTIME PAY-PERMANENT									-47,977.57			
Object: 51010 – REGULAR PAY-EXTRA HELP												
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	51010	-1,313.65	PAYPERIOD 10PAYDATE 05192023		
Total 51010 – REGULAR PAY-EXTRA HELP									-1,313.65			
Object: 51035 – HOLIDAY PAY												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	51035	-11,296.13	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	51035	-11,296.13	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	51035	-11,296.13	PAYPERIOD 11PAYDATE 06022023		
Total 51035 – HOLIDAY PAY									-33,888.39			
Object: 51040 – DIFFERENTIAL PAY												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	51040	-7,710.71	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	51040	-7,710.71	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	51040	-7,710.71	PAYPERIOD 11PAYDATE 06022023		
Total 51040 – DIFFERENTIAL PAY									-23,132.13			
Object: 52010 – OASDI-SOCIAL SECURITY												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	52010	-2,932.64	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	52010	-3,032.06	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	52010	-2,961.50	PAYPERIOD 11PAYDATE 06022023		
Total 52010 – OASDI-SOCIAL SECURITY									-8,926.20			
Object: 52015 – PERS												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	52015	-26,040.99	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	52015	-25,138.01	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	52015	-25,384.69	PAYPERIOD 11PAYDATE 06022023		
Total 52015 – PERS									-76,563.69			
Object: 53010 – EMPLOYEE INSURANCE & BENEFITS												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	53010	-1,000.00	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	53010	986.78	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-655.44	LOFRANCO, SAL SVFD Health Ins.	V105221	80055009
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-1,358.24	BIDDLE, MIKE SVFD Health Ins.	V105980	80055008
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-1,469.14	MCMURRY, MICHAEL SVFD Health In	V105430	80055010
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-711.06	WHITTLE, RON SVFD Health Ins.	V102822	80055015
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-849.00	THEILEN, LOTHAR SVFD Health In	V117701	80055013
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-348.27	RONZANO, CHRIST SVFD Health In	V111324	80055012
2023	11	5/05/2023	0523SVFD		Expenditures	685010	50	53010	-364.73	PHINN, MIKE SVFD Health Ins. 5	V103782	80055011
2023	11	5/10/2023	MAY23HLTH		Expenditures	685010	50	53010	-59,327.35	SV FIRE MAY 2023	V116512	15182
2023	11	5/11/2023	DU96425	DU96425	Expenditures	685010	50	53010	48.56	M.Pasquini May23 DentalCK#1013	C99999	
2023	11	5/11/2023	DU96425	DU96425	Expenditures	685010	50	53010	48.56	M.Marsano May23 Dental CK#195	C99999	
2023	11	5/15/2023	0623SVFD		Expenditures	685010	50	53010	-1,261.57	FDAC EBA SVFD 6/2023	V33857	00431425
2023	11	5/15/2023	0623SVFD		Expenditures	685010	50	53010	-4,654.90	HEALTH CARE EMP SVFD Group 367	V108670	00431426
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	53010	986.78	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	53010	-1,000.00	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/18/2023	DU96611	DU96611	Expenditures	685010	50	53010	137.94	S.Kovacs May23 Dental	C99999	
2023	11	5/24/2023	DU96760	DU96760	Expenditures	685010	50	53010	91.85	H.Bustichi May23 DentalCK#4103	C99999	
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-849.00	THEILEN, LOTHAR SVFD Health In	V117701	80055983
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-348.27	RONZANO, CHRIST SVFD Health In	V111324	80055982

Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object

Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC												
Character: 50 – SALARIES AND EMPLOYEE BENEF												
Object: 53010 – EMPLOYEE INSURANCE & BENEFITS												
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-1,358.24	BIDDLE, MIKE SVFD Health Ins.	V105980	80055978
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-711.06	WHITTLE, RON SVFD	V102822	80055984
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-1,469.14	MCMURRY, MICHAEL SVFD Health In	V105430	80055980
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-364.73	PHINN, MIKE SVFD Health Ins. 6	V103782	80055981
2023	11	5/30/2023	0623SVFD		Expenditures	685010	50	53010	-655.44	LOFRANCO, SAL SVFD Health Ins.	V105221	80055979
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	53010	-1,000.00	PAYPERIOD 11PAYDATE 06022023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	53010	986.78	PAYPERIOD 11PAYDATE 06022023		
Total 53010 – EMPLOYEE INSURANCE & BENEFITS									-76,468.33			
Object: 53015 – UNEMPLOYMENT INSURANCE												
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	53015	-21.02	PAYPERIOD 10PAYDATE 05192023		
Total 53015 – UNEMPLOYMENT INSURANCE									-21.02			
Object: 55021 – OTHER BENEFITS MISC												
2023	11	5/03/2023	PAYPERIOD 09		Expenditures	685010	50	55021	-1,598.07	PAYPERIOD 09PAYDATE 05052023		
2023	11	5/17/2023	PAYPERIOD 10		Expenditures	685010	50	55021	-1,598.07	PAYPERIOD 10PAYDATE 05192023		
2023	11	5/31/2023	PAYPERIOD 11		Expenditures	685010	50	55021	-1,598.07	PAYPERIOD 11PAYDATE 06022023		
Total 55021 – OTHER BENEFITS MISC									-4,794.21			
Total 50 – SALARIES AND EMPLOYEE BENEF									-678,598.88			
Character: 60 – SERVICES AND SUPPLIES												
Object: 61110 – CLOTHING & PERSONAL SUPPLIES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61110	-844.96	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/15/2023	38709		Expenditures	685010	60	61110	-130.00	SCOTTS PPE RECO SVFD	V118889	00431428
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61110	-319.71	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61110 – CLOTHING & PERSONAL SUPPLIES									-1,294.67			
Object: 61125 – UNIFORM REPLACEMENT												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61125	-393.30	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/12/2023	86292		Expenditures	685010	60	61125	-899.06	SUMMIT UNIFORMS SVFD	V107901	00431291
2023	11	5/12/2023	86293		Expenditures	685010	60	61125	-899.06	SUMMIT UNIFORMS SVFD	V107901	00431291
Total 61125 – UNIFORM REPLACEMENT									-2,191.42			
Object: 61221 – TELEPHONE-NON TELECOM 1099												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61221	-1,624.25	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61221	-1,073.74	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61221 – TELEPHONE-NON TELECOM 1099									-2,697.99			
Object: 61310 – FOOD												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61310	-431.43	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/11/2023	DU96425	DU96425	Expenditures	685010	60	61310	231.00	Southbay Food Reimb. CK#519	C99999	
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61310	-241.49	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61310 – FOOD									-441.92			
Object: 61425 – OTHER HOUSEHOLD EXP-SERVICES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61425	-317.43	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/19/2023	269792		Expenditures	685010	60	61425	-261.63	MID VALLEY SUPP SVFD	V481	00431940
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61425	-409.48	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61425 – OTHER HOUSEHOLD EXP-SERVICES									-988.54			
Object: 61720 – MAINT-MOBILE EQUIPMENT-SERV												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61720	-2,108.82	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/05/2023	0523SVFD2		Expenditures	685010	60	61720	-29.05	SCARBOROUGH LUM SVFD Acct 1169	V1233	00430714
2023	11	5/05/2023	9367		Expenditures	685010	60	61720	-3,043.61	CENTRAL FIRE PR SVFD	V116886	00430711
2023	11	5/05/2023	9372		Expenditures	685010	60	61720	-1,230.13	CENTRAL FIRE PR SVFD	V116886	00430711
2023	11	5/19/2023	CI037801		Expenditures	685010	60	61720	-113.59	GOLDEN STATE EM SVFD PIE-0143	V129826	00431939
2023	11	5/19/2023	CI039147		Expenditures	685010	60	61720	-29.74	GOLDEN STATE EM SVFD PIE-0143	V129826	00431939
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61720	-528.39	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
2023	11	5/26/2023	CI039102		Expenditures	685010	60	61720	-106.03	GOLDEN STATE EM SVFD PIE-0143	V129826	00432483

Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object

Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC												
Character: 60 – SERVICES AND SUPPLIES												
Object: 61720 – MAINT-MOBILE EQUIPMENT-SERV												
2023	11	5/26/2023	CI039148		Expenditures	685010	60	61720	-906.80	GOLDEN STATE EM SVFD PIE-0143	V129826	00432483
Total 61720 – MAINT-MOBILE EQUIPMENT-SERV									-8,096.16			
Object: 61725 – MAINT-OFFICE EQUIPMNT-SERVICES												
2023	11	5/05/2023	14805		Expenditures	685010	60	61725	-1,861.00	PAGODA TECHNOLO SVFD	V125184	00430713
Total 61725 – MAINT-OFFICE EQUIPMNT-SERVICES									-1,861.00			
Object: 61730 – MAINT-OTH EQUIP-SERVICES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61730	-169.81	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/15/2023	SCOAS2022		Expenditures	685010	60	61730	-2,000.00	SAN LORENZO VAL SVFD	V107826	00431427
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61730	-78.62	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61730 – MAINT-OTH EQUIP-SERVICES									-2,248.43			
Object: 61845 – MAINT-STRUCT/IMPS/GRDS-OTH-SRV												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61845	-1,068.41	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/05/2023	0523SVFD1		Expenditures	685010	60	61845	-191.86	SCARBOROUGH LUM SVFD Acct 1169	V1233	00430714
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61845	-125.39	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61845 – MAINT-STRUCT/IMPS/GRDS-OTH-SRV									-1,385.66			
Object: 61920 – MEDICAL, DENTAL & LAB SUPPLIES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	61920	-30.72	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	61920	-104.00	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61920 – MEDICAL, DENTAL & LAB SUPPLIES									-134.72			
Object: 62020 – MEMBERSHIPS												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62020	-235.00	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
Total 62020 – MEMBERSHIPS									-235.00			
Object: 62219 – PC SOFTWARE PURCHASES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62219	-263.48	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/05/2023	14830		Expenditures	685010	60	62219	-201.78	PAGODA TECHNOLO SVFD	V125184	00430713
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	62219	-187.37	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
2023	11	5/26/2023	72011		Expenditures	685010	60	62219	-71.88	TARGET SOLUTION SVFD	V31376	00432485
Total 62219 – PC SOFTWARE PURCHASES									-724.51			
Object: 62223 – SUPPLIES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62223	-912.54	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/05/2023	14782		Expenditures	685010	60	62223	-2,550.97	PAGODA TECHNOLO SVFD	V125184	00430713
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	62223	-1,455.36	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 62223 – SUPPLIES									-4,918.87			
Object: 62381 – PROF & SPECIAL SERV-OTHER												
2023	11	5/05/2023	0523SVFD		Expenditures	685010	60	62381	-2,288.25	DAWSON PASSAFUI SVFD	V125913	00430712
2023	11	5/15/2023	228147		Expenditures	685010	60	62381	-187.50	VOYA RETIREMENT SVFD	V31933	00431320
2023	11	5/19/2023	50882		Expenditures	685010	60	62381	-845.00	CSG CONSULTANTS SVFD	V121100	00431938
2023	11	5/26/2023	240783		Expenditures	685010	60	62381	-1,700.00	LIEBERT CASSIDY SVFD	V119863	00432484
2023	11	5/26/2023	241792		Expenditures	685010	60	62381	-7,558.00	LIEBERT CASSIDY SVFD	V119863	00432484
Total 62381 – PROF & SPECIAL SERV-OTHER									-12,578.75			
Object: 62715 – SMALL TOOLS & INSTRUMENTS												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62715	-874.00	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	62715	-46.62	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 62715 – SMALL TOOLS & INSTRUMENTS									-920.62			
Object: 62826 – EDUCATION AND/OR TRAINING												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62826	-690.00	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/15/2023	0523SVFD		Expenditures	685010	60	62826	-177.20	WALTON, ALICIA SVFD	V119128	00431302
2023	11	5/15/2023	0523SVFD		Expenditures	685010	60	62826	-141.00	BRIDGES, MEGAN SVFD	V126414	00431300
2023	11	5/15/2023	0523SVFD		Expenditures	685010	60	62826	-715.00	POST, WILLEM SVFD	V37872	00431301
2023	11	5/22/2023	0523SVFD		Expenditures	685010	60	62826	-141.00	Jackson, Michel SVFD	V45625	00431948
Total 62826 – EDUCATION AND/OR TRAINING									-1,864.20			

Actual Transactions

Transaction Type = Actual; Revenues/Expenditures = R,(E); Chart Fields = GLKey,Character,Object

Post On [@prior-month] and Revenues/Expenditures [XP] and GL Key [685010, 685030, 685040]

Fiscal Year	Fiscal Month	Post On	Document No	Doc Ref	Revenues/Expenditure	GL Key	Character	Object	Amount	Description	Vendor No	Warrant No
GL Key: 685010 – SCOTTS VALLEY FIRE PROT SVC												
Character: 60 – SERVICES AND SUPPLIES												
Object: 62888 – SPEC DIST EXP-SERVICES												
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	62888	-1,749.92	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 62888 – SPEC DIST EXP-SERVICES									-1,749.92			
Object: 62914 – EDUCATION & TRAINING(REPT)												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62914	-1,441.61	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/05/2023	0523SVFD3		Expenditures	685010	60	62914	-721.60	SCARBOROUGH LUM SVFD Acct 1169	V1233	00430714
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	62914	-1,776.28	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 62914 – EDUCATION & TRAINING(REPT)									-3,939.49			
Object: 62920 – GAS, OIL, FUEL												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	62920	-52.40	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/26/2023	839180		Expenditures	685010	60	62920	-2,118.95	WESTERN STATES SVFD	V39738	00432486
Total 62920 – GAS, OIL, FUEL									-2,171.35			
Object: 63070 – UTILITIES												
2023	11	5/05/2023	0423SVFD		Expenditures	685010	60	63070	-1,663.93	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/19/2023	0523SVFD1		Expenditures	685010	60	63070	-585.08	PACIFIC GAS AND SVFD	V129169	00431758
2023	11	5/19/2023	0523SVFD2		Expenditures	685010	60	63070	-174.24	PACIFIC GAS AND SVFD	V129169	00431758
2023	11	5/19/2023	0523SVFD3		Expenditures	685010	60	63070	-457.10	PACIFIC GAS AND SVFD	V129169	00431758
2023	11	5/19/2023	0523SVFD4		Expenditures	685010	60	63070	-108.86	PACIFIC GAS AND SVFD	V129169	00431758
2023	11	5/26/2023	0523SVFD		Expenditures	685010	60	63070	-840.85	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 63070 – UTILITIES									-3,830.06			
Total 60 – SERVICES AND SUPPLIES									-54,273.28			
Total 685010 – SCOTTS VALLEY FIRE PROT SVC									-732,872.16			
GL Key: 685030 – SCOTTS VLY FIRE DIST.-CAPITAL												
Character: 60 – SERVICES AND SUPPLIES												
Object: 61215 – RADIO												
2023	11	5/03/2023	133		Expenditures	685030	60	61215	-1,004.00	WISE, CHARLES E SVFD	V42413	00430343
2023	11	5/05/2023	0423SVFD		Expenditures	685030	60	61215	-116.69	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
Total 61215 – RADIO									-1,120.69			
Total 60 – SERVICES AND SUPPLIES									-1,120.69			
Total 685030 – SCOTTS VLY FIRE DIST.-CAPITAL									-1,120.69			
GL Key: 685040 – SV FIRE DIST-REGIONAL HAZ RESP												
Character: 60 – SERVICES AND SUPPLIES												
Object: 61221 – TELEPHONE-NON TELECOM 1099												
2023	11	5/05/2023	0423SVFD		Expenditures	685040	60	61221	-76.02	U S BANK CORPOR SVFD 4246-0445	V992019	80055014
2023	11	5/26/2023	0523SVFD		Expenditures	685040	60	61221	-152.04	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 61221 – TELEPHONE-NON TELECOM 1099									-228.06			
Object: 62365 – MANAGEMENT SERVICES												
2023	11	5/19/2023	22235		Expenditures	685040	60	62365	-6,000.00	SCOTTS VALLEY F SVFD	V128300	00431941
Total 62365 – MANAGEMENT SERVICES									-6,000.00			
Object: 62920 – GAS, OIL, FUEL												
2023	11	5/26/2023	0523SVFD		Expenditures	685040	60	62920	-74.16	U S BANK CORPOR SVFD 4246-0445	V992019	80055920
Total 62920 – GAS, OIL, FUEL									-74.16			
Total 60 – SERVICES AND SUPPLIES									-6,302.22			
Character: 70 – OTHER CHARGES												
Object: 75268 – OTHER CHARGES-OTHER												
2023	11	5/19/2023	22231		Expenditures	685040	70	75268	-35,000.00	CENTRAL FIRE PR SVFD	V116886	00431937
2023	11	5/19/2023	22233		Expenditures	685040	70	75268	-40,000.00	SCOTTS VALLEY F SVFD	V128300	00431941
2023	11	5/19/2023	22234		Expenditures	685040	70	75268	-5,000.00	WATSONVILLE FIR SCHMIT	V117485	00431942
2023	11	5/22/2023	22232		Expenditures	685040	70	75268	-40,000.00	SANTA CRUZ FIRE SCHMIT	V120003	00432092
Total 75268 – OTHER CHARGES-OTHER									-120,000.00			
Total 70 – OTHER CHARGES									-120,000.00			
Total 685040 – SV FIRE DIST-REGIONAL HAZ RESP									-126,302.22			
									-860,295.07			

Scotts Valley Fire Protection District (SVFPD)

Date: June 14, 2023
To: Board of Directors
From: SVFPD
Subject: Approve Claim Disbursements

SVFPD Claims have been approved for payment out of SVFPD Funds
totaling \$ 988,365.00

These payments have been approved by the Board of Directors during
their meeting on June 14, 2023

July 2023/2024 F.Y.

CalPERS Unfunded Actuarial Liability (UAL) Lump-Sum Prepayment

ATTEST

Daron Pisciotta
Board President

Ron Whittle
Board Secretary

Required Contributions

Required Employer Contributions	Fiscal Year 2023-24
Employer Normal Cost Rate	24.15%
<i>Plus</i>	
Required Payment on Amortization Bases ¹	\$1,021,417
<i>Paid either as</i>	
1) Monthly Payment	\$85,118.08
<i>Or</i>	
2) Annual Prepayment Option*	\$988,365
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).</i></p> <p><i>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).</i></p>	

	Fiscal Year 2022-23	Fiscal Year 2023-24
Development of Normal Cost as a Percentage of Payroll		
Base Total Normal Cost for Formula	29.63%	31.82%
Surcharge for Class 1 Benefits ²		
a) FAC 1	1.20%	1.32%
Phase out of Normal Cost Difference ³	0.00%	0.00%
Plan's Total Normal Cost	30.83%	33.14%
Formula's Expected Employee Contribution Rate	8.99%	8.99%
Employer Normal Cost Rate	21.84%	24.15%

¹ The required payment on amortization bases does not take into account any additional discretionary payment made after April 29, 2022.

² Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

³ The normal cost change is phased out over a five-year period in accordance with the CalPERS contribution allocation policy.



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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

Ron Whittle
Fire Chief

Date: June 14, 2023
To: Board of Directors
From: Chief Whittle
Subject: Surplus Equipment

Recommendation

Declare the following list of equipment as surplus property, and remove from District inventory.


Direct the Chief to dispose of the equipment utilizing a bid process, donation or recycling.

Discussion

The fixed asset items listed are no longer in use, and require Board action to declare items as surplus property.

Inventory #	Item	Purchased	Amount
10920	File, Lateral Wood 2 Drawer – Admin Office	1/1/1983	\$415.00
10925	File Lateral 4 Drawer (Small) Captain Dorm	7/1/1996	\$314.00
21121	RIC Pack Regulator – Grant	3/21/2005	\$410.32
21129	RIC Pack SCOTT – Grant	3/21/2005	\$1,139.40
30489	iPad – 16GB W/Keyboard	5/31/2013	\$766.14
30587	iPad Pro 32gb – E2512	2/2/2017	\$848.68
30631	EMS iPad (Destroyed)	1/1/2018	\$330.91
30632	EMS iPad	1/1/2018	\$330.91
		Total	\$4,555.36

Board of Directors
Joe Parker Russ Patterson Daron Pisciotta Kris Hurst Adam Cosner

Scotts Valley Fire Protection District	
POLICY: 808 DATE APPROVED: 06/14/2023 BOARD PRESIDENT: _____	SUBJECT: Outside Employment FIRE CHIEF: _____

PURPOSE

In order to avoid actual or perceived conflicts of interest for Scotts Valley Fire Protection District (SVFPD) employees engaging in outside employment, all employees shall notify the Fire Chief prior to engaging in any secondary employment. Approval of secondary employment shall be at the discretion of the Fire Chief in accordance with the provision of this policy.

Definitions

Outside Employment - Any employee of the SVFPD who receives wages, compensation or other consideration of value from another employer, organization or individual not affiliated directly with the SVFPD for services, product(s) or benefits rendered. For purposes of this section, the definition of outside employment includes those employees who are self-employed and not affiliated directly with the SVFPD for services, products(s) or benefits rendered.

Employee – For the purposes of interpretation of this policy, “employee” shall mean any person holding full time or part time employment with the SVFPD.

POLICY


It is the policy of the SVFPD to allow employees to engage in employment other than with the SVFPD if the Fire Chief determines that such outside employment is not in conflict with his/her duties and the duties, functions and responsibilities of the SVFPD.

PROCEDURE

No employee shall be employed or self-employed in any manner outside of SVFPD employment without prior notification to the Fire Chief. Failure to provide notification of outside employment or engaging in outside employment prohibited by this policy may lead to disciplinary action, up to and including dismissal.

The employee must fill out the NOTIFICATION OF OUTSIDE EMPLOYMENT form found in this policy, which shall be submitted to the employee’s immediate supervisor. The notice will then be forwarded through the chain of command to the Fire Chief for consideration.

The Fire Chief shall review the Notification of Outside Employment notice to determine the outside employment does not conflict with this policy. The Fire Chief may make any restrictions on outside employment consistent with operation of the SVFPD.

Scotts Valley Fire Protection District	
POLICY: 808	SUBJECT: Outside Employment

PROHIBITED OUTSIDE EMPLOYMENT


The Fire Chief, at his/her discretion, may prohibit or restrict an employee seeking to engage in any activity which (Government Code § 1126 through Government Code § 1129):

- a) Involves the employee's use of SVFPD time, facilities, equipment or supplies, or the use of the SVFPD badge, uniform, prestige or influence for private gain or advantage.
- b) Involves the employee's receipt or acceptance of any money or other consideration from anyone other than the SVFPD for the performance of an act which the employee, if not performing such act, would be required or expected to render in the regular course of employment or as a part of the employee's duties as an employee of the SVFPD.
- c) Involves the performance of an act in other than the employee's capacity as an employee of the SVFPD that may later be subject directly or indirectly to the control, inspection, review, audit or enforcement of any other employee of the SVFPD.
- d) Involves time demands that would render performance of the employee's duties for the SVFPD less efficient.
- e) Involves time demands that would affect the employee's regular work shift or ability to respond to emergencies or mandated overtime.
- f) Would otherwise compromise the ability of the SVFPD to conduct its business in an efficient manner.
- g) Would give the appearance of impropriety or otherwise appear inconsistent, incompatible or in conflict with the employee's employment with the SVFPD.

FURTHER INCOMPATIBILITIES OF OUTSIDE EMPLOYMENT

Any outside employment may be prohibited or restricted under the following circumstances:

- a) Should an employee's performance at the SVFPD decline to a point where it is evaluated by a supervisor as needing improvement to reach an overall level of competency, the Fire Chief may, at his/her discretion, prohibit or restrict any outside employment.
- b) Prohibition or restriction of outside employment may be included as a term or condition of sustained discipline.
- c) If, at any time an employee's conduct or outside employment conflicts with the provisions of SVFPD policy, the approval for outside employment may be withdrawn.
- d) Involves employment with an individual or organization that does business with the SVFPD.

Scotts Valley Fire Protection District	
POLICY: 808	SUBJECT: Outside Employment

- e) When an employee is unable to perform at a full-duty capacity due to an injury or other condition, outside employment may be prohibited or restricted until the employee has returned to full-duty status for any of the following reasons:
- (1) The outside employment is medically detrimental to the total recovery of the disabled employee, as indicated by the SVFPD's medical advisers.
 - (2) The outside employment performed requires the same or similar physical ability as would be required of an on-duty employee.
 - (3) The employee fails to make timely notice of his/her intention to continue outside employment to his/her supervisor.

APPEALS

If an employee's outside employment is prohibited or restricted, the employee should be informed of the action and reason in writing.

The employee may file a written notice of appeal to the Fire Chief within 10 days of the date of the written notification.

If the employee's appeal is denied, the employee may file a grievance pursuant to the procedure set forth in the current collective bargaining agreement and/or the Grievance Procedure Policy.

CHANGES IN OUTSIDE EMPLOYMENT STATUS


If an employee terminates his/her outside employment, the employee should promptly submit written notification of such termination to the Fire Chief. Any subsequent notifications for outside employment should be processed and approved through normal procedures set forth in this policy.

Employees should also promptly submit in writing to the Fire Chief any material changes in outside employment, including any change in the number of hours, types of duties or demands of any approved outside employment. Employees who are uncertain whether a change in outside employment is material should report the change.

SVFPD employees, who are engaged in outside employment while on full duty and are placed on disability leave or temporary modified duty due to illness or injury, should inform their immediate supervisor in writing within five days regarding whether they intend to continue to engage in outside employment while on leave or modified-duty status.

PROHIBITED USE OF SVFPD RESOURCES

Employees are prohibited from using any SVFPD equipment or resources in the course of or for the benefit of any outside employment, unless approved by the Fire Chief. This includes access to official records or databases of this SVFPD or other agencies through the employee's position with this SVFPD.

Scotts Valley Fire Protection District	
POLICY: 808	SUBJECT: Outside Employment

NOTIFICATION OF OUTSIDE EMPLOYMENT

Name _____ Rank _____ Supervisor _____

Name of Outside Employer: _____ Telephone#: _____

EMPLOYEE INFORMATION

Address/Location Of Worksite: _____

Position: _____

Anticipated Start Date: _____ Anticipated End Date: _____

Detailed description of duties to be performed:

Days/hours work to be performed: _____ Avg hours/month _____

Employees Signature: _____ Date: _____

Supervisor Signature: _____ Date: _____

Comments (if request is denied):

Fire Chiefs Signature

Date

DISTRICT PLAN FOR SERVICES

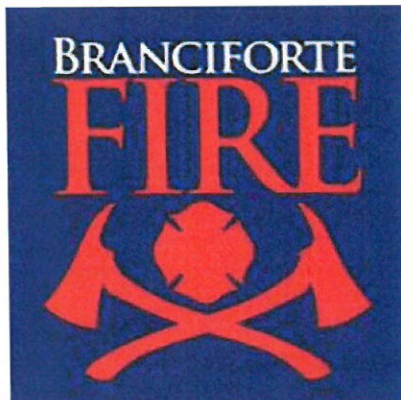
Prepared for

**LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY,**

Proposed

BRANCIFORTE FIRE PROTECTION DISTRICT REORGANIZATION (LAFCO PROJECT NO. RO 22-07)

A proposed reorganization involving Branciforte and Scotts Valley Fire Protection Districts (FPDs) has been initiated by the Branciforte FPD Board of Directors. Following the conclusion of the LAFCO process, the Branciforte FPD will be dissolved and the dissolved area will be concurrently annexed into the Scotts Valley FPD.



June 14, 2023

Table of Contents

PLAN FOR SERVICE	2
BACKGROUND	2
Countywide Fire Protection Service & Sphere Review	2
LAFCO Findings & Recommendations	2
Previous & Current Collaboration	3
Conclusion	3
CURRENT LEVEL AND RANGE OF SERVICE	4
Branciforte Fire Protection District	4
Scotts Valley Fire Protection District	5
PROPOSED LEVEL AND RANGE OF SERVICE	6
Management & Governance	6
Operations	7
Transfer of Assets / Liabilities	8
Transfer of Personnel	8
Cost of Services	8
Additional Factors to Address	8
FINANCIAL SYNOPSIS OF BRANCIFORTE FIRE PROTECTION DISTRICT	11
EXHIBITS	12
Exhibit A – BFPD Original Strategic Plan	12
Exhibit B – BFPD Resolution of Initiation	12
Exhibit C – Pre-Reorganization Agreement	12
Exhibit D – Current “Combined” Sphere Boundary	12
Exhibit E – Tentative Reorganization Timeline	12
Exhibit F – Branciforte Advisory Commission (Policy & Bylaws)	12
Exhibit G – 5 Driving Mile Distance (without Branciforte Fire Station)	12
Exhibit H – 5 Driving Mile Distance (with Branciforte Fire Station)	12
Exhibit I – CalPERS Cost Analysis (dated April 4, 2023)	12

PLAN FOR SERVICE

Government Code Section 56653 requires that a Plan for Service in narrative form must be submitted with the application for a reorganization. This plan must respond to each of the following questions and be signed and certified by an official of the affected agency(ies):

- 1) A description of the level and range of each service to be provided to the affected territory;
- 2) An indication of when the service can be feasibly extended to the affected territory;
- 3) An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory;
- 4) The estimated cost of extending the service and a description of how service or required improvements will be financed. A discussion of sufficiency of revenues for anticipated service extensions is also required; and
- 5) An indication of whether the annexing territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district or community facilities district.

BACKGROUND

Countywide Fire Protection Service & Sphere Review

LAFCO periodically performs municipal service reviews and sphere of influence updates for each agency subject to LAFCO's boundary regulations. In October, LAFCO completed a countywide service and sphere review for the 13 local agencies that provide fire protection services. During the October meeting, the Commission adopted the report, reaffirmed most spheres, and requested that each fire agency develop an annexation plan regarding their existing sphere boundaries by August 2022. Additionally, the Commission required that the Branciforte Fire Protection District (BFPD) develop a detailed plan outlining how internal operations and all administrative services will be completed without the assistance of Scotts Valley Fire Protection District (SVFPD) or any other governmental entity. The deadline to submit the plan was March 31, 2022.

LAFCO Findings & Recommendations

LAFCO staff identified major concerns about the BFPD's ability to comply with the statutory requirements as an independent special district. Since 2015, BFPD had relied on SVFPD to fulfill the daily, weekly, monthly, quarterly, and annual duties on behalf of BFPD under the now expired contract (which ended in September 2021). Following the September sunset date, BFPD hired an interim, part-time fire chief that was a CalPERS retired annuitant. A "retired annuitant" is a CalPERS retiree who, without applying for *Reinstatement From Retirement*, returns to work with a CalPERS employer in a designated retired annuitant position. An annuitant has a number of restrictions, including

but not limited to, a maximum of 960 hours worked within a fiscal year. A search for a permanent fire chief was unsuccessful during the six months that the annuitant was present. The interim fire chief's last day was March 14, 2022. While a partial strategic plan was submitted to LAFCO before the March deadline (**Exhibit A**), it did not fulfill LAFCO's requirements.

Given that the recruitment process for a new fire chief was unsuccessful, coupled with the fact that BFPD was unable to produce a detailed plan, LAFCO worked diligently with BFPD and SVFPD to find a long-term solution. The two districts and LAFCO collaborated during the Spring of 2022 to develop a well-coordinated plan that would ensure Branciforte residents receive adequate level of services now and in the future. This cooperative plan was accomplished by hosting two joint meetings with representatives from both districts and LAFCO ("stakeholder group") to discuss the future governance of the Branciforte community. It was determined by the stakeholder group that a reorganization should be analyzed and considered.

As a result, the BFPD Board unanimously adopted a resolution to initiate the reorganization process on March 7, 2022 (**Exhibit B**). The next key step was to address the fire chief vacancy. It was determined by the stakeholder group that developing a "Pre-Reorganization Agreement" would help clearly outline how both districts and LAFCO can work together to ensure BFPD remains in operation and a temporary fire chief is in place as the reorganization process unfolds. **Exhibit C** provides a copy of the Pre-Reorganization Agreement. The BFPD and SVFPD Boards unanimously approved the agreement on March 14, 2022 and April 13, 2022, respectively.

Previous & Current Collaboration

BFPD and SVFPD were in a six-year contract for operational services. Their collaborative effort reflected the combined sphere boundary between the two districts. This combined sphere boundary was originally adopted in 1994 and indicates that the Branciforte community would benefit if the two districts were reorganized as a single district (refer to **Exhibit D**). It is LAFCO's perspective that both districts were "unofficially merged" for the past six years – internally maximizing their staff and resources as one entity. An official merger between the two districts today can be accomplished as a reorganization, meaning that BFPD would be dissolved and the dissolved area would be concurrently annexed into SVFPD. The reorganization would also address LAFCO's concerns about BFPD's internal operations, compliance with state laws, inadequate governance structure, and the lack of firefighters and volunteers. The two districts have agreed to work with LAFCO to analyze the benefits of a reorganization. Now that a resolution of initiation has been adopted and an application has been submitted by BFPD, LAFCO has begun the reorganization process with the help of both districts and LAFCO's fire consultant. LAFCO also developed a detailed timeline illustrating the entire reorganization process as well as upcoming community workshops and other outreach efforts, as shown in **Exhibit E**.

Conclusion

A reorganization is considered when there is a more efficient way to provide services to a specific area. In this case, BFPD, SVFPD, and LAFCO have determined that a reorganization would improve the level of service and overall governance within the

Branciforte community. A full analysis must be completed and presented to the residents to clearly indicate the benefits of a reorganization. In order to provide such transparency, the two districts and LAFCO will coordinate throughout the entire reorganization process. This collaborative effort will help produce cohesive findings about the reorganization involving BFPD and SVFPD.

CURRENT LEVEL AND RANGE OF SERVICE

Branciforte Fire Protection District

Branciforte Fire Protection District (BFPD) was formed on January 7, 1950 and operates under the Fire Protection District Law of 1987. BFPD encompasses nearly 9 square miles of territory located in the central portion of the county. At present, the lands within the District vary from agriculture to urban residential. The vast majority of the District is designated as Mountain Residential and Rural Residential.

Services & Operations

BFPD currently provides fire protection services to the unincorporated community of Branciforte. It currently operates with three full-time permanent employees, three full-time temporary employees, one part-time administrative assistant, and 9 volunteer firefighters. One of the permanent employees has been appointed Interim Fire Chief, while concurrently staffing one of the three shifts. The current staffing model provides for a minimum of two firefighters on duty in the Branciforte fire station 24 hours a day / 7 days a week. It is important to note that none of the volunteers live within BFPD's jurisdictional boundary, precluding the use of volunteers for initial operations.

Type of Services

At present, BFPD offers 9 different types of services: (1) Basic Life Support, (2) Basic Rescue, (3) Community Education, (4) Construction Plan Check, (5) Fire Code Enforcement, (6) Fire Investigation, (7) Fire Suppression, (8) Haz Mat Response, and (9) Public Awareness.

Apparatus & Inventory

At present, BFPD operates using seven (7) apparatuses, as listed below:

- Type 1 Fire Engine = 1 in total
- Type 3 Fire Engine = 2 in total
- Type 6 Fire Engine = 1 in total
- Utility Vehicle = 2 in total
- Water Tender = 1 in total

Existing Fire Stations

The District currently operates one fire station. Station 1 was built in 1950 and has undergone an expansion over the past 10 years or so. It is located at 2711 Branciforte Drive in Santa Cruz. Another "station" was built in 2010 and is located at 2300 Jarvis Road in Santa Cruz. However, this building is not staffed nor owned by BFPD, and there are no volunteers in the area to staff the engine. Therefore, this facility is not considered a functioning fire station and does not factor into the future deployment for SVFPD.

Call Data

BFPD responded to approximately 1,200 calls over the last six years. The annual call average is estimated to be 202 calls per year. The District's average response time was approximately 8 minutes. In 2020, Branciforte FPD had 159 calls. Almost 40% of those calls were first responded by an outside agency. Specifically by Central FPD (1 time), the City of Santa Cruz (2 times), CSA 48/Cal Fire (9 times), and Scotts Valley FPD (28 times). The District currently has a Class 5 rating with the Insurance Service Office (ISO), which is the poorest in Santa Cruz County.

Board of Directors

BFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. The following identifies the current board members:

- Pat O'Connell – First elected in 2016
- Tim Dodds – First elected in 2020
- Marilyn Kuksht – Originally appointed in 2023
- Larry Pageler – Originally appointed in 2023
- Fareed Rayyis – Originally appointed in 2022

Scotts Valley Fire Protection District

Scotts Valley Fire Protection District (SVFPD) was formed on January 7, 1958 and operates under the Fire Protection District Law of 1987. SVFPD encompasses nearly 21 square miles of territory located in the center of Santa Cruz County and includes the City of Scotts Valley. At present, the lands within the District vary from agriculture to urban residential. The vast majority of the District, outside the City limits, is designated as Mountain Residential and Rural Residential.

Type of Services

At present, SVFPD offers 14 different types of services: (1) Advance Life Support, (2) Basic Life Support, (3) Basic Rescue, (4) Community Education, (5) Construction Plan Check, (6) Fire Code Enforcement, (7) Fire Code Permitting, (8) Fire Investigation, (9) Fire Suppression, (10) Haz Mat Administration, (11) Haz Mat Response, (12) Public Awareness, (13) Technical Rescue, and (14) Vegetation Management.

Apparatus & Inventory

At present, SVFPD operates using 14 apparatus, as listed below:

- Admin/Battalion SUV = 1 in total
- Chief Officer SUV = 1 in total
- Command Vehicle = 3 in total
- Type 1 Fire Engine = 3 in total
- Type 3 Fire Engine = 2 in total
- Haz Mat Vehicle = 1 in total
- Utility Vehicle = 2 in total
- Water Tender = 1 in total

Existing Fire Stations

The District currently operates two fire stations. Station 1 was built in 1964, remodeled in 1985, and is located at 7 Erba Lane Scotts Valley, CA. Station 2 was built in 2001 and is located at 251 Glenwood Drive Scotts Valley, CA. The District has indicated that Station 1 needs extensive seismic upgrading and remodeling. Station 1 is staffed with 4.5 administrative personnel during regular business hours and 1 Battalion Chief and 4 firefighters 24 hours a day. Station 2 is staffed with 3 firefighters 24 hours a day. At present, SVFPD has 28 full-time employees, 1 part-time employee, and 15 volunteer firefighters. The District currently has a Class 2 rating with the Insurance Service Office (ISO), which is one of the best in Santa Cruz County.

Call Data

SVFPD responded to approximately 13,000 calls over the last six years. The annual call average is estimated to be 2,122 calls per year. The District's average response time was approximately 5 minutes.

Board of Directors

SVFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. The following identifies the current board members:

- Russ Patterson – First elected in 2016
- Adam Cosner – Recently appointed in 2022
- Kris Hurst – Recently appointed in 2022
- Joseph Parker – Originally appointed in 2019
- Daron Pisciotta – First elected in 2016

PROPOSED LEVEL AND RANGE OF SERVICE

Management & Governance

The reorganized Scotts Valley Fire Protection District will include all the territory currently within the boundaries of the Scotts Valley Fire District and all the territory currently within the boundaries of the Branciforte Fire District. The District will be governed by a 5-member Board of Directors, elected at large from the entire district. The Board of Directors of the Scotts Valley Fire Protection District as composed at the time the reorganization is deemed complete will continue to serve until their individual terms expire, at which time the seats will stand for election. Any registered voter within the reorganized district boundaries may file and run for an open seat on the Board. To avoid conflict with the California Voting Rights Act, SVFPD may consider transitioning to a system of elections by district in the foreseeable future following additional analysis.

Branciforte Oversight and Representation

The Scotts Valley FPD Board of Directors will establish a Service Zone encompassing the territory of the former Branciforte Fire Protection District, in accordance with Health and Safety Code Section 13950. The purpose of the Service Zone is to provide the

community with accountability for the use of taxes, assessments, or fees collected solely within the Service Zone (Health and Safety Code Section 13955). Further, the Scotts Valley FPD Board of Directors will adopt a policy forming the Branciforte Advisory Commission and will also appoint members of the Branciforte community to Commission in accordance with Health and Safety Code Section 13956. The purpose of the Advisory Commission will be to review the finances, operations, and projects that directly benefit and/or affect the Branciforte community. The formation of the Branciforte Advisory Commission will be as soon as practical after the recordation of the reorganization. **Exhibit F** provides the draft policy and bylaws for the proposed advisory commission.

Following reorganization, the SVFPD will continue to be managed by the incumbent SVFPD Fire Chief and their staff and officers. This includes, but is not limited to, Human Resources, Payroll, Finance, Information Technology, Fire Prevention, Plan Checking, Fleet Management, Facility Management, Public Education and Community Outreach, and any other service currently provided or authorized in the future.

Operations

Following reorganization, the SVFPD will be responsible for providing service to the Branciforte community. SVFPD will deploy emergency response assets from the two existing Scotts Valley fire stations, located at 7 Erba Lane (Station 1), and 251 Glenwood Drive (Station 2). In addition, SVFPD will modify its current Automatic Aid agreements with the Santa Cruz Fire Department and with Central Fire District to ensure response of the closest appropriate resource to any emergency incident occurring in Branciforte.

In order to mitigate the impacts of serving 9 square miles of additional territory, SVFPD plans to add an additional firefighter to each of the three shifts by utilizing BFPD's three existing firefighters. The increased staffing will allow more flexibility for the rapid deployment of adequate resources to mitigate all incidents within the Fire District. The District will utilize its current Type 1 and Type 3 engines as well as the proposed addition of a Type 5/6 engine to provide service to the Branciforte Community. It is anticipated that this new Type 5/6 engine will be purchased, maintained, and eventually replaced using accumulated Measure T funds.

SVFPD provides Advanced Life Support (ALS) paramedic first responder service using on-duty crews staffing both stations. Regardless of which station is responding to an emergency call in the Branciforte community (and this includes Auto-Aid apparatus from Santa Cruz or Central), the crew will have at least one Paramedic Firefighter that is licensed and equipped to provide life-saving care.

Analysis shows that 88% of the parcels within the former BFPD boundaries are within 5 road miles of a fire station. Staff believes that the presence of fully staffed, ALS capable response assets within 5 road miles is an improved level of service as compared to the model operated by the BFPD. Many rural, mountainous areas of Santa Cruz County are further than 5 miles from the nearest fire station. For the remaining 12% of parcels that are beyond 5 miles, staff has determined the level of service to be adequate, given the ability of SVFPD to amass large numbers of resources and the provision of paramedic services. **Exhibits G and H** show the 5-mile driving distance with and without the Branciforte Fire Station in full operation.

Transfer of Assets / Liabilities

All assets and liabilities of the Branciforte Fire Protection District shall become assets and liabilities of the Scotts Valley Fire Protection District at the time the reorganization is deemed complete.

Transfer of Personnel

Scotts Valley FPD will offer full employment to the full-time permanent members of the BFPD. The current BFPD employees will be expected to meet all minimum requirements as outlined in the current SVFPD Policy. In addition, Scotts Valley FPD will accept BFPD Volunteer / Paid-Call personnel meeting Scotts Valley FPD standards into the Scotts Valley FPD Paid Call Program. The terms and conditions of employment including but not limited to rank, seniority, probationary periods etc., will be outlined in a separate employment agreement.

Cost of Services

Current Revenue Stream

Recurring revenue for the Branciforte Fire District for FY 22/23 consists of an estimated \$908,458 in Property Tax receipts and \$167,000 in Measure T Special Tax receipts, for a total of approximately \$1,075,458. This amount is insufficient to fund an appropriate number of firefighters on duty in the fire station (minimum of 2), let alone the funds needed to provide for a permanent Fire Chief and Administrative Assistant.

General Fund revenue for the Scotts Valley Fire District is approximately \$8,111,350 for FY 22/23, and derived primarily from Property Tax receipts. This amount is sufficient to sustain the SVFPD operation into the foreseeable future.

The reorganized District will have recurring revenue (FY 22/23) as follows:

General Fund- \$9,019,800

Measure T (restricted) - \$167,000

Total- \$9,186,800

Staff has determined that the total recurring revenue is sufficient to fund the operational plan detailed above.

Additional Factors to Address

Branciforte Fire Station

BFPD has one fire station located at 2711 Branciforte Drive, which was built in 1950. The station operates with one full-time firefighter on duty by rotating its three non-paramedic firefighters. At present, the Branciforte Fire Station is understaffed and underfunded, which results in the noncompliance of the Occupational Safety and Health Administration (OSHA) and the National Fire Protection Association (NFPA) standards.

State Standards (OSHA)

The Occupational Safety and Health Administration (OSHA) was established in 1970 to ensure safe and healthful working conditions for workers by setting and enforcing standards and by providing training, outreach, education and assistance. OSHA is part of the United States Department of Labor. In the late-1990s, OSHA established the Respiratory Protection Standard. This provision requires that at least two employees enter the Immediately Dangerous to Life or Health (IDLH) atmosphere and remain in visual or voice contact with each other at all times. It also requires that at least two employees be located outside the IDLH atmosphere, thus the term, "two in/two out". This assures that the "two in" can monitor each other and assist with equipment failure or entrapment or other hazards, and the "two out" can monitor those in the building, initiate rescue, or call for back-up. One of the "two out" can be assigned another role such as incident commander.

National Standards (NFPA)

One of the most well-known and respected standards organizations is the National Fire Protection Association (NFPA). Since 1896, NFPA has developed standards directly affecting the fire service at the department level. As an advocate of fire prevention and an authoritative source on public safety, NFPA develops, publishes, and disseminates more than 300 consensus codes and standards intended to minimize the possibility and effects of fire and other risks. Their vision is to advocate for the elimination of death, injury, property and economic loss due to fire, electrical and related hazards. Their mission is to help save lives and reduce loss with information, knowledge and passion.

The NFPA has developed standards specifically for volunteer departments known as the NFPA 1720 Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments. NFPA believes that volunteer departments must maximize resources and be able to evaluate and improve firefighter safety and service to meet the modern challenges of local firefighting operations. The 1720 Standards offer a framework for defining levels of service, deployment capabilities, and staffing requirements for volunteer and combination fire departments. At present, NFPA recommends a minimum of four firefighters.

Potential Benefit Assessment

The BFPD Board of Directors hired a consulting firm to calculate and determine the amount needed to adequately operate the Branciforte Fire Station with at least two firefighters on duty. A benefit assessment for each parcel within the Branciforte community will be proposed to fund the station's operation. If the benefit assessment is approved by the Branciforte community, the benefit assessment will be managed by the SVFPD with input from the Branciforte Advisory Commission post-reorganization. It is important to note that SVFPD's two existing fire stations and surrounding fire stations can provide adequate services with or without the Branciforte Fire Station. **Exhibits G and H** show the 5-mile driving distance with and without the Branciforte Fire Station in full operation.

CalPERS Actuarial Report

The California Public Employees' Retirement System ("CalPERS") developed a cost analysis in April 2023 for the proposed reorganization (refer to **Exhibit I**). Government Code sections 20463 (b) and (c) require the governing body of a public agency which requests a contract cost analysis to provide each affected employee organization with a copy within five days of receipt. Likewise, if a cost analysis is requested by an employee organization, the employee organization is required to provide a copy of the analysis to the public agency within five days of receipt.

A resolution of intention declaring the agency's intent to amend the contract must be approved by the agency's governing body. The approved resolution must be received by the CalPERS' office on or before July 1, 2023. If either of these two conditions is not met, an updated cost analysis will be required to merge the contracts. The current cost analysis will expire on July 1, 2023. An updated cost analysis may be available as early as September 2023.

Assuming the reorganization is approved by LAFCO in June 2023, the following steps will be completed by the affected fire districts:

1. Complete and return the Contract Request and Schedule of Agency Actions forms. Within 90 days, CalPERS staff will send the agency the Resolution of Intention form for adoption; and
2. Complete and return the adopted Resolution of Intention to CalPERS on or before July 1, 2023. Adoption of the Final Resolution/Ordinance by this date is not required.

Branciforte Fire Station Alternative Use

With the annexation of the Branciforte Fire Protection District into the service area of the Scotts Valley Fire Protection District, there may not be sufficient funding to staff the BFPD station on a full-time basis, unless a new benefit assessment is passed by the Branciforte community. If that does not occur, SVFPD will maintain the fire station in a serviceable order, and be ready for emergency staffing at any time.

The potential exists for SVFPD to staff the BFPD station on an as needed basis, based on certain conditions such as red flags warnings, significant wind or weather related events, or other public safety situations that may require an additional staffed piece of equipment. The station may also be used to house mutual aid resources that may be staged in-county, such as a strike team or pre-position resources.

It is the intent of SVFPD to continue with the station remodel plans for the older portion of the station, as well as exterior upgrades that have been previously identified.

SVFPD also intends to make the station available for public meetings, once the meeting space can be remodeled to provide secure separation from the living quarters and access to a bathroom that is compliant with the Americans with Disabilities Act ("ADA").

FINANCIAL SYNOPSIS OF BRANCIFORTE FIRE PROTECTION DISTRICT

	Adopted Budget	Funds Spent (as of 12/31/22)	Remaining Balance	Unanticipated Rev / Exp (12/31/22 – 6/30/23)	Year-End Balance (projected)
General Fund					
Salaries / Benefits	\$1,173,420	\$688,711	\$484,708	<\$412,700>	\$72,000
Services / Supplies	\$242,852	\$99,740	\$143,111	<\$100,000 >	\$43,000
Undesignated / Contingencies	\$227,665	-0-	\$227,665	\$54,000	\$282,000
Total General Fund	\$1,645,337	\$789,555	\$855,484	<\$458,800>	\$397,000
Capital Outlay					
Services / Supplies	\$109,500	\$13,704	\$95,795	<\$25,000>	\$70,000
Fixed Assets	\$592,000	\$28,131	\$563,868	<\$100,000>	\$464,000
Undesignated / Contingencies	\$302,500	-0-	\$302,500	\$25,000	\$328,000
Total Capital Outlay	\$1,004,000	\$37,916	\$966,083	<\$100,000>	\$862,000
Total BFPD Funds (projected amount)					\$1,259,000

General Fund

The General Fund anticipated revenue of \$1.645M, including \$876,000 in property tax and a carryover of \$725,000 from the prior year, along with some small incidental revenue sources. A sum of \$54,000 in unanticipated revenue (from a CalFire cover assignment) has been added to the fund. Given that all the large expenses (PERS and WC) have been paid, it is projected that the GF will end the FY with a balance of just under \$400,000. This means that BFPD will use about \$325,000 of reserve funds (nearly half the beginning reserves) to balance the budget this fiscal year.

Capital Outlay

The Capital Outlay Fund (also known as the Measure T fund) began the year with a fund balance of \$815,000. Proceeds from Measure T added an additional \$166,000, for a total of just over \$1M. There have been minor expenses charged to this account so far, but we have projected up to \$100,000 will be encumbered for the station repairs before the FY ends. The "Measure T" fund actually contains funds derived both from Measure T and from a large donation (nearly \$600,000) the District received from a resident. The Measure T funds are restricted to "...fund a Contingency Fund for unfunded emergencies, the Building Fund and a Vehicle Replacement Fund as determined by the Board of Directors" while the donation has no such formal restrictions. It is unclear whether expenditures from this fund over the past several years have been from the restricted funds or from the donated funds, thus it's not possible to determine conclusively how much of the \$860,000 projected year-end balance is restricted by the Measure T language. In the most liberal interpretation, all of the past capital expenses could be said to have been drawn on the restricted Measure T funds, which would leave the entire \$593,889.32 available for whatever purpose the Board determines is necessary for the functioning of the District. This is probably a moot point, because the language of Measure T allows for "unfunded emergencies... as determined by the Board of Directors", of which the need for reorganizing the District should certainly qualify.

EXHIBITS

Exhibit A – BFPD Original Strategic Plan

Exhibit B – BFPD Resolution of Initiation

Exhibit C – Pre-Reorganization Agreement

Exhibit D – Current “Combined” Sphere Boundary

Exhibit E – Tentative Reorganization Timeline

Exhibit F – Branciforte Advisory Commission (Policy & Bylaws)

Exhibit G – 5 Driving Mile Distance (without Branciforte Fire Station)

Exhibit H – 5 Driving Mile Distance (with Branciforte Fire Station)

Exhibit I – CalPERS Cost Analysis (dated April 4, 2023)

EXHIBIT A:

BFPD's Original Strategic Plan (dated 3/31/22)

Branciforte Fire Protection District Proposed Strategic Plan

March 31, 2022

INTRODUCTION

This plan provides information to the residents of the Branciforte Fire Protection District on the efforts and direction the District is proceeding with to provide the best method of emergency and fire prevention services to the community. This plan also gives direction to the staff and Board of Directors of the Fire District. This plan also supports the input from the community.

HISTORY

The 8th Area Fire District was established in 1942. It included a large area of the county that is now covered by Felton, Scotts Valley, Zayante and Branciforte Fire Districts. Staffed by volunteers with limited equipment and volunteers, response times to any fire within the 8th area were lengthy. Structures often burned down completely before they arrived. At that time the next closest station had been an unstaffed volunteer station on Sims Road just outside the city limits of Scotts Valley.

Branciforte Fire Protection District was formed in 1950 to improve the response time to fires within the Happy Valley and surrounding areas. Gino Delucchi was the first Fire Chief of Branciforte Fire. The volunteers built a small 14' by 26' station across the street from the Chief's house on Branciforte Drive. It housed the District's first engine, a 1939 GMC truck equipped with 450 gallons of water, 200 ft of 1" hose, 750 ft of 1.5" hose, and a 500GPM pump. When calls came in they were answered by Jennie Delucchi and went through a phone call tree to all of the volunteers to respond. The engine would drive to the fire and pick up the volunteers on the way. Chief Delucchi and his wife Jennie donated land to the department next door to their home in 1965 to build the current existing station. A training room was added onto the station and was built by the volunteers and staff in 1997. A part time bookkeeper was hired to handle the bills and payroll.

The department grew from its beginning as an all volunteer department with a volunteer Fire Chief to having three paid career employees made up of two Captains and a Fire Chief who worked shifts. Staffing is supplemented by Volunteer Firefighters. A sleeper program was instituted to a career officer and a volunteer firefighter responding from the station to all calls during the night.

In year 2000 the staffing model changed to three full time Fire Captains and a part time Fire Chief with a part time administrative position and volunteer firefighters supplementing the staffing.

From 2016 to 2021 an Administrative Services Agreement was in place with the Scotts Valley Fire District.

In September 2021 an Interim Part Time Administrative Fire Chief was hired. The three Captains covered the shifts. Efforts to get more volunteers became the top priority.

On March 14, 2022 a Fire Chief was promoted from within the current ranks. The District has returned to operating on it's own with two Captains and a Fire Chief covering shifts. Administrative assistance is provided by part time help.

The number of volunteers has always varied. In the beginning of the District a volunteer was given some gear and some very basic training. The Volunteers all lived in the area. A volunteer now days has to go through a basic Firefighter Academy that takes three months to complete and continuing training and drills at the station. Most Volunteers live outside of the District. In 2016 Branciforte had 26 volunteers. Today we are down to a low of 9 volunteers. The highest priority is to add more volunteers. The District is looking at options to help increase our volunteer coverage. The goal of having the station staffed with a minimum of two career firefighters with additional volunteer firefighters in the station 24/7. There could then be a minimum of three responding on the first out engine.

The process of completing another apparatus bay and expanded living quarters for male and female firefighters at the Branciforte Station is almost complete. Additional beds were planned for the new sleeping areas. These will need to be added when the volunteer numbers are increased. The kitchen and day room area is to be renovated. These renovations have been budgeted and will be completed with Measure T funds.

There is a structural issue with the front corner of the main apparatus bay. It is under review by a Structural Engineer. It is still to be determined as to the extent of what will be need to be completed. The costs of the repair should be covered by the Measure T funds.

The Fire District has had a substation in the Ryder Ridge Area for many years. There had been times after heavy storms the residents were without access from outside the area. Jarvis Road had washed out in multiple spots. Upper Jarvis Road which is largely a dirt and rocks road also washed out. The only option for a fire emergency was to keep an apparatus available for emergencies in the area. A 1958 model GMC 4 wheel drive pickup was kept up on Rider Ridge with a 250 gallon tank and pumping capabilities and a hose line. It also carried a basic medical bag. One of the volunteers lived in the area kept it on his property. Eventually in a garage that was built by the residents to house it. Many brush fires were put out over the years with this available apparatus before any other engines had arrived.

Station 2 was eventually built on the Vine Hill Winery Property entirely with the contributions and donations from those who live in Rider Ridge area of the District. Those who lived there had begun losing their fire insurance. Once the Station was built

and the District could show that we could meet the water flow standards for what was needed to put out a structure fire there were fewer issues with insurance. The Station now houses one of the District's Type 3 Wildland Engines. There are minimal costs involved with keeping Station 2 open. The District should explore how to at better utilize Station 2.

The Fire District has a full complement of fire apparatus.
This includes:

- 1 - Type 1 Structural Fire Engine
- 2 - Type 3 Wildland Fire Engines
- 1 - Type 4 Engine equipped with medical plus pumping capabilities
- 1 - Water Tender with 2500 gallons capacity
- 2 - Pickups with 4 Wheel Drive
- 1 - Command Vehicle

The equipment is in good condition and a replacement program was set up with the funds coming from Measure T. There has been discussion over the addition of a Type 6 quick response vehicle and costs and information is being researched. But the higher priority is to increase staffing first.

LEVEL AND RANGE OF SERVICE

The District provides services to a small community in the Happy Valley Area of Santa Cruz County. Branciforte Fire Station currently operates with three full-time employees and nine volunteer firefighters. The station is staffed with two Fire Captains and a Fire Chief that are covering shifts on the 2on/4off schedule. While there are occasions where the engine responds with just one on the engine, the goal is to have a two Firefighter minimum responding 24/7. Some progress has been made to add additional volunteers. We are now looking into options to add temporary additional volunteers. This would greatly help the district's ability to always have two and potentially three firefighters responding on the first-out engine. This could be accomplished with current reserves and contingency funds already within the budget. These funds could cover the costs of the additional staffing for up to two years before reserves could be depleted.

Administrative assistance is provided by part time resources, with bookkeeping and technical assistance with the website.

The District has a sphere expanding beyond its service area. Santa Cruz County Local Agency Formation Committee (LAFCO) adopted BFPD's combined sphere of influence on March 10, 1994, which included areas beyond the District's jurisdictional boundary. This sphere determination indicated that BFPD and Scotts Valley FPD should be merged or consolidated in the foreseeable future. LAFCO staff believes that the merger concept should be considered by BFPD and its residents to ensure the level of service remain would improve as a result of the proposed reorganization. Santa Cruz County LAFCO staff recommends reaffirming the existing sphere boundary.

On March 14, 2022 The Branciforte Fire Protection District signed a Pre-Reorganization Agreement through LAFCO to start the Merger Process with Scotts Valley.

FINANCIAL HEALTH

The District is financially stable. Branciforte FPD has closed the past six years with an annual surplus. The 2021/2022 Final Budget shows the General Fund Budget is at \$1,606,318. The Measure T Fund is at \$984,358. The ending fund balance was \$697,860, which is up by approximately \$97,000 from what was estimated.

The yearly draft budget is adopted by March 31, of each year and the final budget is adopted by before June 30th of each year.

MANAGEMENT AND GOVERNANCE

BOARD COMPOSITION

BFPD is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election.

The Board Members are elected for 4-year terms.

The Board votes for a Board Chairman and Vice Chairman at the last meeting of the calendar year for a term of one year. A board Member may be voted to serve as Chair or Vice Chair for consecutive years.

The Board meetings are regularly scheduled for the third Thursday of each month at 6pm.

The Board Members roles are outlined in the Board of Directors Roles and Responsibilities Policy adopted in 2012. See Appendix B

STAFFING

The District is currently staffed with a Fire Chief and two Fire Captains who all work on the 2on/4off schedule. They are full time career officers for the Branciforte Fire District. There are nine volunteers available to respond from home or the station. There is part time help available for administrative assistance.

The District has hired the Lozano Smith Law Firm as the Districts legal counsel.

ADMINISTRATIVE DUTIES

COUNTY PARTNERSHIPS

FIRE DISTRICT PARTNERSHIPS

STRATEGIC MANDATES

DISTINGUISH BOARD/STAFF ROLES

EXHIBIT B:

BFPD's Resolution of Initiation

BRANCIFORTE FIRE PROTECTION DISTRICT

RESOLUTION NO. 2022-02

A RESOLUTION TO INITIATE APPLICATION BY THE BRANCIFORTE FIRE PROTECTION DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY TO PURSUE PROCEEDINGS FOR THE REORGANIZATION OF BRANCIFORTE FIRE PROTECTION DISTRICT WITH THE SCOTTS VALLEY FIRE PROTECTION DISTRICT

WHEREAS, the Board of Directors of the Branciforte Fire Protection District ("Branciforte FPD") desires to initiate proceedings pursuant to the Cortese-Knox-Herzberg Local Government Reorganization Act of 2000, California Government Code Section 56000 et. seq., ("Act") for the reorganization of Branciforte Fire Protection District with the Scotts Valley Fire Protection District ("Scotts Valley FPD"); and

WHEREAS, the reorganization consists of the dissolution of Branciforte FPD and the concurrent annexation of the dissolved area into Scotts Valley FPD; and

WHEREAS, notice of intent to adopt this Resolution of Application has been given to each interested and each affected local agency; and

WHEREAS, the affected territory is inhabited and is constituted by the respective boundaries of Branciforte FPD; and

WHEREAS, this reorganization is consistent with the Sphere of Influence of Branciforte FPD and Scotts Valley FPD; and

WHEREAS, the reasons for the proposed reorganization of Branciforte FPD and Scotts Valley FPD are as follows:

- 1) It will facilitate the efficient delivery of life and property saving services to individuals and property owners within the affected territory; and
- 2) It will facilitate the continued provision of the current levels of service provided by paid and paid-call firefighters and staff of the respective districts, consistent with local demand expectations and available financing.

WHEREAS, it is desired that the proposed reorganization of Branciforte FPD with Scotts Valley FPD be subject to the following terms and conditions, among others:

- 1) The specific provisions of the Pre-Reorganization Agreement jointly completed by Branciforte FPD, Scotts Valley FPD, and LAFCO, if enacted;
- 2) Branciforte FPD, Scotts Valley FPD, and LAFCO will host and/or participate in multiple community outreach efforts regarding the proposed reorganization and

available options, including but not limited to workshops and forums to be held jointly with representatives from each agency;

- 3) Coordination between Branciforte FPD, Scotts Valley FPD, and LAFCO to determine the best solution for the Branciforte Fire Station;
- 4) The paid employees and the active volunteer firefighters of Branciforte FPD will become a portion of Scotts Valley FPD;
- 5) All tax rate areas will be maintained and all revenue mechanisms currently existing in Branciforte FPD will be maintained post-reorganization; and
- 6) Such other provisions as required by applicable law or as may be agreed by the parties.

WHEREAS, Branciforte FPD reserves the right to withdraw its application to initiate the reorganization and request that LAFCO terminate any such proceedings pursuant to the Act or other applicable law;

WHEREAS, this Board anticipates that the reorganization proposal is categorically exempt from review under the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15320(b), which exempts special district reorganizations where changes in organization of local governmental agencies do not change the geographical area in which the previously existing powers are exercised, such as here; and

NOW, THEREFORE BE IT RESOLVED that this Resolution of Initiation of reorganization proceedings as described is adopted and approved by the Board of Directors of the Branciforte Fire Protection District.

PASSED AND ADOPTED by the Board of Directors of the Branciforte Fire Protection District at a regular meeting thereof held on the 24th of February, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED AS TO CONTENT:

Pat O'Connell, Board President

Samantha Sweeden, Fire Chief

EXHIBIT C:

Pre-Reorganization Agreement

PRE-REORGANIZATION AGREEMENT

By and Among

BRANCIFORTE FIRE PROTECTION DISTRICT,

And

SCOTTS VALLEY FIRE PROTECTION DISTRICT,

And

**LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY**

[Dated as of March 14, 2022]

ARTICLE 1. PARTIES AND EFFECTIVE DATE

1.1 Parties. This Pre-Reorganization Agreement ("Agreement") is entered into by and among (i) the Branciforte Fire Protection District ("BFPD"), (ii) the Scotts Valley Fire Protection District ("SVFPD"), and (iii) the Local Agency Formation Commission of Santa Cruz County ("LAFCO"). BFPD, SVFPD, and LAFCO are sometimes referred to herein as a "Party" and collectively as the "Parties." This Agreement is dated as of March 7, 2022, for references purposes only and will not become effective until the "Effective Date" defined in Section 1.2 below.

1.2 Effective Date. This Agreement will not become effective until the date ("Effective Date") on which all the following have occurred: (i) this Agreement has been approved by BFPD, executed by its legally authorized officers, (ii) this Agreement has been approved by SVFPD, executed by its legally authorized officers, and (iii) this Agreement, signed by BFPD and SVFPD, delivered to LAFCO for approval and signature by the Executive Officer.

ARTICLE 2. RECITALS

2.1 BFPD Background. The Branciforte Fire Protection District was formed on January 7, 1950 and operates under the Fire Protection District Law of 1987 ("Principal Act"). BFPD encompasses nearly 9 square miles of territory and provides fire protection services to the unincorporated community known as Branciforte. It currently operates with a temporary part-time retired annuitant fire chief, three full-time firefighters and seven volunteer firefighters. BFPD operates through one fire station with a one-person crew on any given shift. The annuitant fire chief contract was approved on September 30, 2021 and is set to expire on March 14, 2022. In accordance state law, a fire district cannot operate without proper administrative oversight. Additionally, the Principal Act limits board members to act only by ordinance, resolution, or motion (Health & Safety Code Section 13856[b]).

2.2 SVFPD Background. The Scotts Valley Fire Protection District was formed on January 7, 1958 and operates under the Fire Protection District Law of 1987. SVFPD encompasses nearly 21 square miles of territory in the center of Santa Cruz County and includes the City of Scotts Valley. It currently operates with 22 full-time firefighters, 15 volunteer firefighters, three full-time Battalion Chiefs, 2 full-time and 1 part-time administrative personnel, and 1 full-time Fire Chief. SVFPD previously provided administrative and command services to BFPD under an existing contract since 2015. Under this agreement, SVFPD's Fire Chief functioned as the Fire Chief for BFPD. The contract expired on September 30, 2021.

2.3 LAFCO Background. The Local Agency Formation Commission of Santa Cruz County is a State-mandated, independent agency with countywide jurisdiction over changes in organization and boundaries of cities and special districts including annexations, detachments, formations, consolidations, and reorganizations. LAFCOs were created by the State Legislature in 1963 in response to the rapid growth and sporadic formation of cities and special districts in California in the years following World War II.

In addition to boundary changes, LAFCOs are required by law to establish and periodically update spheres of influence for the county's cities and special districts and perform service reviews on the county's cities and special districts with the goal of increasing efficiency, maximizing existing resources, identifying cost-saving opportunities, and improving local representation. LAFCO completed a countywide fire report in October 2021 which analyzed the 13 local agencies that provide fire protection. LAFCO determined that BFPD had many infractions, inadequate staffing, internal efficiencies, and governance issues. It was recommended that BFPD develop a strategic plan to address LAFCO's findings and outline how it will be a sustainable agency or consider merging with SVFPD. Since 1995, through a combined sphere of influence, LAFCO has recommended a merger between BFPD and SVFPD to ensure that the Branciforte community receive adequate level of service and proper representation.

2.4 Proposed Reorganization. The Reorganization is contemplated by the Parties upon the terms and conditions set forth in this Agreement. The Parties anticipate proceedings will be commenced by LAFCO following the execution and adoption of a resolution by BFPD to initiate the Reorganization and the execution and adoption of this Agreement by the Parties as set forth above.

2.5 Parties Consensus. The Parties understand that the Reorganization as contemplated in this Agreement is essential to the plan for providing services required by LAFCO in its consideration of the Reorganization application.

NOW, THEREFORE, in consideration for the promises and mutual covenants set forth herein, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 3. TERMS

3.1 BFPD Obligations.

3.1.1 Resolution of Initiation. BFPD shall continue to diligently pursue the approval of the Reorganization Application following the adoption of a Resolution of Initiation on Monday, March 7, 2022.

3.1.2 Application. BFPD shall submit a signed application, with a copy of the adopted resolution, within 30 days of this enacted Agreement to begin the LAFCO process.

3.1.3 Consent. BFPD hereby irrevocably consents to the Reorganization pursuant to the terms of this Agreement and the Reorganization Application submitted pursuant to Section 3.1.2. BFPD shall cooperate in every reasonable way with the requests of LAFCO. Said cooperation shall include, but not be limited to, the filing of all necessary applications, plans, and any other documentation or information required by SVFPD, LAFCO or any public agency associated with the Reorganization process.

3.1.4 Interim Fire Chief Expenses. BFPD hereby agrees to fund the identified governmental entity, existing BFPD firefighter personnel, or consulting firm for services as the temporary, interim supervisory position, whether as a fire chief, executive director, general manager, or district administrator. Invoices from the identified governmental entity, existing BFPD firefighter personnel, or consulting firm will be submitted as specified in the agreement between the parties. If an existing BFPD firefighter is hired as an interim fire chief, policies and procedures clearly defining the role of the BFPD Board and the BFPD interim fire chief as part of this Reorganization must be adopted within 30 days of this enacted Agreement. Any rules and regulations, outlined in the policies and procedures as part of this Reorganization, that are not met or completed shall be a breach of this Agreement. Any termination or expiration of the services from the identified governmental entity, existing BFPD firefighter personnel, or consulting firm shall be a breach of this Agreement.

3.1.5 Community Outreach. BFPD hereby agrees to coordinate with the Parties to co-host community forums, whether in-person or virtual, to educate the Branciforte community about the Reorganization process. Such forums shall be hosted collaborative with the following representatives: (1) BFPD's interim fire chief, executive director, general manager, or district administrator and no more than two board members, (2) SVFPD's fire chief and no more than two board members, (3) LAFCO's Executive Officer and no more than two Commissioner.

3.1.6 Agreement Not to Challenge or Support Challenge. The Parties shall not file lawsuits or to directly or indirectly support litigation filed by others, either as a party, through financial contributions, providing staff support, or by failing to aggressively defend such litigation, that challenges the adequacy of the Reorganization.

3.2 SVFPD Obligations.

3.2.1 Support. SVFPD may provide administrative and operational support throughout the Reorganization process, including but not limited to, payroll and billing services. Additionally, SVFPD may provide additional assistance if requested by BFPD. Such request must be mutually agreed upon by SVFPD's fire chief and BFPD's interim fire chief, executive director, general manager, or district administrator.

3.2.2 Consent. SVFPD hereby irrevocably consents to the Reorganization pursuant to the terms of this Agreement and the Reorganization Application submitted pursuant to Section 3.1.2. SVFPD shall cooperate in every reasonable way with the requests of LAFCO. Said cooperation shall include, but not be limited to, the filing of all necessary applications, plans, and any other documentation or information required by LAFCO or any public agency associated with the Reorganization process.

3.2.3 Agreement Not to Challenge or Support Challenge. The Parties shall not file lawsuits or to directly or indirectly support litigation filed by others, either as a party, through financial contributions, providing staff support, or by failing to aggressively defend such litigation, that challenges the adequacy of the Reorganization.

3.3 LAFCO Obligations.

3.3.1 Application. LAFCO shall process the application submitted by BFPD in accordance with the CKH Act.

3.3.2 Support. LAFCO may provide guidance and assistance to the Parties regarding the LAFCO process, including but not limited to, fulfilling the statutory requirements under the CKH Act. Additionally, LAFCO may provide administrative assistance if requested by BFPD. Such services include but are not limited to assisting with board meetings, community forums, or other outreach efforts.

3.3.3 Interim Fire Chief. The Commission hired the Fire Reorganization Consulting, LLC ("Fire Consultant") on March 2, 2022 to help LAFCO staff with fire-related projects. Concurrently with approval of this Agreement, BFPD has or may contract with the Fire Consultant to provide interim administrative services at the hourly rate as specified in the agreement between the parties. LAFCO agrees that the Fire Consultant shall not provide services to LAFCO regarding the Reorganization if hired for the temporary, interim supervisory position, whether as a fire chief, executive director, general manager, or district administrator. If the Fire Consultant is not hired for the temporary, interim supervisory position, whether as a fire chief, executive director, general manager, or district administrator, then the Fire Consultant, with LAFCO's approval, may provide assistance to the identified interim fire chief throughout the Reorganization process.

ARTICLE 4. REORGANIZATION

4.1 Reorganization. For purposes of this Agreement, a Reorganization is defined as the dissolution of Branciforte Fire Protection District and the concurrent annexation of the dissolved area into Scotts Valley Fire Protection District. In accordance with the CKH Act, all assets and liabilities, revenues and expenditures, facilities and apparatuses, district files and records, and other identified items will be transferred over to SVFPD following the Reorganization's date of recordation.

4.2 New Benefit Assessment Consideration. If determined by Branciforte Fire Protection District and/or Scotts Valley Fire Protection District, the residents of the Branciforte community will have an opportunity to vote on whether to support a new special tax to keep the Branciforte Fire Station open with a two-person crew minimum. This election will be conducted during the November 2022 General Election, unless the Parties agree on a different date. If the new special tax fails, the Reorganization will continue with an alternative designation for the Branciforte Fire Station.

4.3 Timing. The effective date of the Reorganization will be the Certificate of Completion's recordation date.

ARTICLE 5. DAMAGES

5.1 Remedies. Subject to the limitations herein, in the event of a breach of this Agreement, the non-breaching party may at its option institute legal action to cure, correct, or remedy such breach, enjoin any threatened or attempted violation, or enforce the terms of this Agreement by specific performance. In the event of any breach of this Agreement, the non-breaching party shall have the right to pursue against the breaching party, any and all remedies that are available at law or at equity for breach of contractual obligation, provided however, that in no event shall BFPD have the right to sue SVFPD or LAFCO or any SVFPD or LAFCO officials, employees, contractors or agents for damages or monetary relief arising out of the SVFPD's or LAFCO's default of its obligations set forth in this Agreement, the Parties agreeing that declaratory and injunctive relief, mandate, and specific performance shall be BFPD's sole and exclusive judicial remedy. The prevailing party in any such litigation shall be entitled to its attorney's fees and costs.

ARTICLE 6. GENERAL PROVISIONS

6.1 Duration. This Agreement will remain in place until the Reorganization is finalized. If BFPD, SVFPD, and/or LAFCO decide to oppose, deny, withdraw, or stop the Reorganization process, then the Agreement will be terminated. This LAFCO does not and cannot warrant LAFCO's approval of the Reorganization.

6.2 Attorney's Fees. In the event that any Party brings any legal action to interpret or enforce any provision of this Agreement, the prevailing Party in that action shall be entitled to receive, in addition to all other available relief, costs of litigation and reasonable attorneys' fees, including expert witness fees, costs and fees incurred on appeal and in enforcing any judgment which may be rendered on the underlying action.

6.3 No Third Party Beneficiaries. Except as provided in Section 6.10, the Parties expressly acknowledge that they do not intend, by their execution of this Agreement, to benefit any person or entities not signatory to this Agreement. Except as provided by Section 6.10, no person or entity not a signatory to this Agreement will have any rights or causes of action against the Parties, or any combination thereof, arising out of or due to the Parties' entry into this Agreement.

6.4 Governing Law. This Agreement shall be interpreted and enforced in accordance with the provisions of California law, without regard to conflicts of laws provisions. Any litigation shall be held in a court of competent jurisdiction located in Santa Cruz County, California.

6.5 Notice. Unless otherwise permitted by this Agreement, all notices to be given shall be in writing and may be made by personal delivery, certified mail, postage prepaid and return receipt requested. Mailed notices shall be addressed to the Parties at the addresses listed below, but each party may change the address by written notice in accordance with this paragraph. Receipt will be deemed made as follows: notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated on receipt or region.

If to BFPD:

Branciforte Fire Protection District
2711 Branciforte Drive
Santa Cruz, CA 95065

If to SVFPD:

Scotts Valley Fire Protection District
7 Erba Lane
Scotts Valley, CA 95066

If to LAFCO:

Local Agency Formation Commission of Santa Cruz County
701 Ocean Street, Room 318-D
Santa Cruz, CA 95060

6.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original.

6.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements, either written or oral, express or implied.

6.8 Further Acts. The Parties agree to execute such additional documents and to take such further actions as are reasonably necessary to accomplish the objectives and intent of this Agreement.

6.9 Waiver. The failure of any Party to insist upon strict compliance with any provision of this Agreement or to exercise any right or privilege provided herein, or any Party's waiver of any breach hereunder unless in writing, shall not relieve any other Party of any of obligations hereunder, whether of the same or similar type. The foregoing shall be true whether the waiving Party's actions are intentional or unintentional.

6.10 Authorization to Execute. The signatories to this Agreement warrant that they have been lawfully authorized by their respective Parties to execute this Agreement on their behalf. Upon request, the Parties shall deliver all applicable bylaws, resolutions, or other documents evidencing the signatories' legal authority to execute this Agreement on behalf of the respective Parties.

6.11 Severability. If any provision or clause of this Agreement or any application of it to any person, firm, organization, partnership or corporation is held invalid, such invalidity shall not affect other provisions of this Agreement which can be given effect without the invalid provision or application. To this end, the provisions of this Agreement are declared to be severable.

6.12 Compliance with other Rules and Regulations. BFPD and SVFPD shall comply with all other applicable rules and regulations of LAFCO and all other public agencies having jurisdiction over the Reorganization area. This Agreement does not abrogate, limit or modify any other of Parties' rights which are provided by common law, statute, ordinance or regulation.

6.13 Lack of Reorganization. In the event that BFPD does not dissolve and concurrently annex into SVFPD, the Parties are not bound by the obligations of this Agreement and the Parties retain any of their respective pre-Reorganization rights and duties as local governmental entities. Such inaction may result in BFPD from being able to operate as a special district due to the legal requirements under its Principal Act, the Brown Act, and other state mandates.

"LAFCO"

By: 

Joe Serrano, Executive Officer

Date: 3/14/22

"BFPD"

By: 

Pat O'Connell, Board President

Date: 3-14-22

Approved as to form:

By: 

Joshua Nelson, General Counsel

Date: 4/15/2022

Approved as to form:

By: _____

Travis Cochran, General Counsel

Date: _____

"SVFPD"

By: _____

Russ Patterson, Board President

Date: _____

Approved as to form:

By: _____

Phillip A. Passafuime, General Counsel

Date: _____

6.12 Compliance with other Rules and Regulations. BFPD and SVFPD shall comply with all other applicable rules and regulations of LAFCO and all other public agencies having jurisdiction over the Reorganization area. This Agreement does not abrogate, limit or modify any other of Parties' rights which are provided by common law, statute, ordinance or regulation.

6.13 Lack of Reorganization. In the event that BFPD does not dissolve and concurrently annex into SVFPD, the Parties are not bound by the obligations of this Agreement and the Parties retain any of their respective pre-Reorganization rights and duties as local governmental entities. Such inaction may result in BFPD from being able to operate as a special district due to the legal requirements under its Principal Act, the Brown Act, and other state mandates.

"LAFCO"

By: _____

Joe Serrano, Executive Officer

Date: _____

Approved as to form:

By: _____

Joshua Nelson, General Counsel

Date: _____

"BFPD"

By: _____

Pat O'Connell, Board President

Date: _____


Approved as to form:

By: _____

Travis Cochran, General Counsel

Date: _____

"SVFPD"

By:  _____

Russ Patterson, Board President

Date: 4/13/2022

Approved as to form:

By:  _____

Phillip A. Passafiume, General Counsel

Date: 4-13-22

6.12 Compliance with other Rules and Regulations. BFPD and SVFPD shall comply with all other applicable rules and regulations of LAFCO and all other public agencies having jurisdiction over the Reorganization area. This Agreement does not abrogate, limit or modify any other of Parties' rights which are provided by common law, statute, ordinance or regulation.

6.13 Lack of Reorganization. In the event that BFPD does not dissolve and concurrently annex into SVFPD, the Parties are not bound by the obligations of this Agreement and the Parties retain any of their respective pre-Reorganization rights and duties as local governmental entities. Such inaction may result in BFPD from being able to operate as a special district due to the legal requirements under its Principal Act, the Brown Act, and other state mandates.

"LAFCO"

By: 

Joe Serrano, Executive Officer

Date: 3/14/22

"BFPD"

By:  11

Pat O'Connell, Board President

Date: _____

Approved as to form:

By: _____

Joshua Nelson, General Counsel

Date: _____

Approved as to form:

By: 

Travis Cochran, General Counsel

Date: 3/24/22

"SVFPD"

By: _____

Russ Patterson, Board President

Date: _____

Approved as to form:

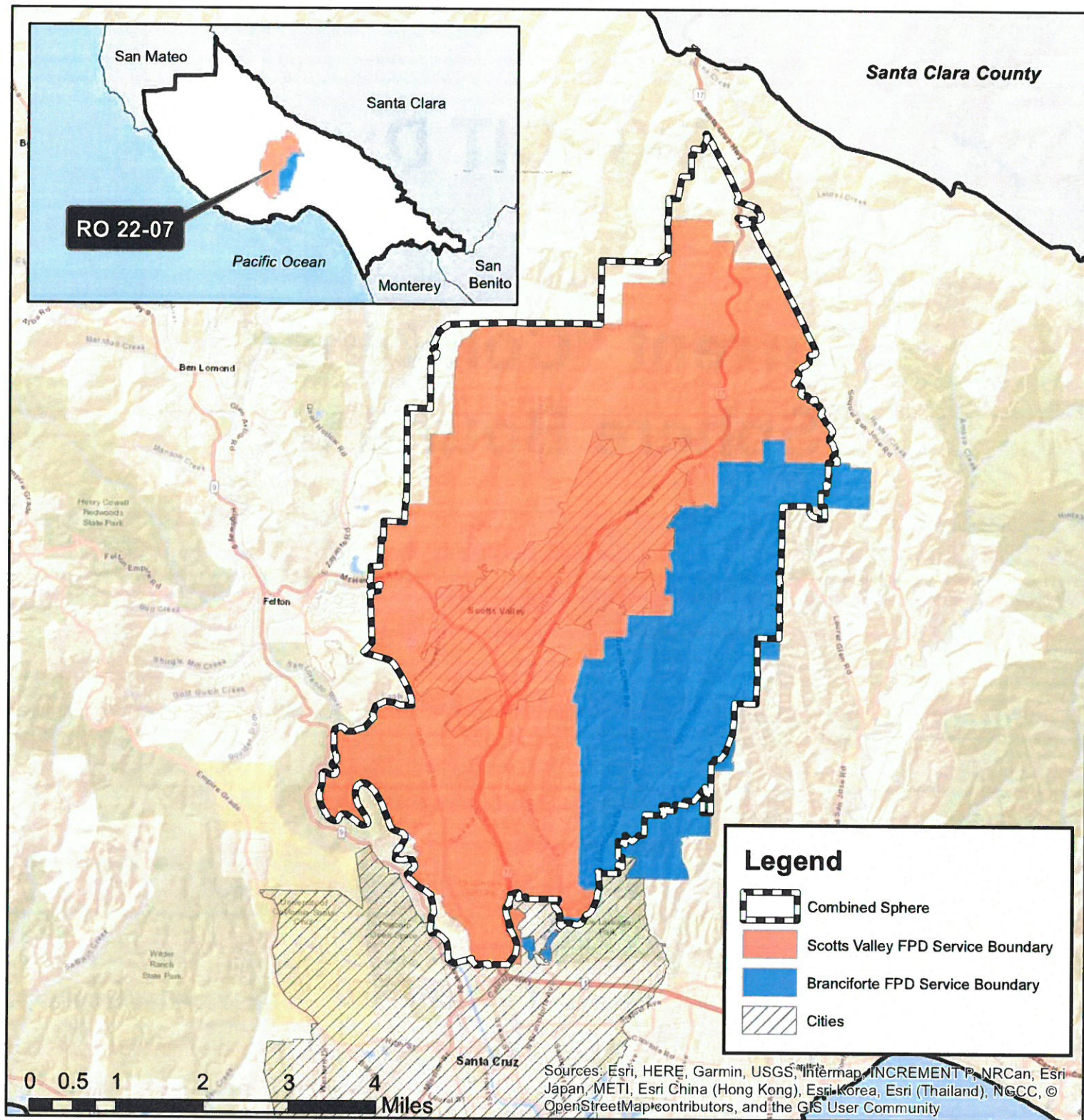
By: _____

Phillip A. Passafuime, General Counsel

Date: _____

EXHIBIT D:

Current “Combined” Sphere Boundary



"Branciforte Fire Protection District Reorganization" (LAFCO Project No. RO 22-07)



The proposed reorganization includes three actions:

- 1) dissolution of the Branciforte FPD
- 2) concurrent annexation of the dissolved area into SVFPD
- 3) sphere amendment to include the annexation area

In 1994, Branciforte FPD was added to Scotts Valley FPD's sphere boundary as a precursor to consolidation.

EXHIBIT E:

Tentative Reorganization Timeline (as of 5/3/23)

"Branciforte Fire Protection District Reorganization" (Tentative Timeline - Completed and Scheduled Milestones)

Milestones Completed	Responsible Agency	Target Date	Description
Discussion Application Requirements	BFPD, SVFPD, and LAFCO	September 2021 to March 2022	Discuss the LAFCO process, proposal area, and application requirements to transfer service responsibilities from BFPD to SVFPD.
Submit Application to LAFCO	BFPD	April 1, 2022	Any change of organization (i.e. reorganization of two fire districts) requires initiation by the affected agency(ies), affected landowners/registered voters, or by LAFCO. BFPD adopted a resolution of initiation on February 24, 2022. An application must fulfill the statutory requirements under LAFCO law.
Review Application (Status/Referral Letters)	LAFCO	April 27, 2022	Pursuant to state law, LAFCO will identify any missing items to the applicant within 30 days. Concurrently, LAFCO will solicit comments from affected and interested agencies/parties.
Host Study Session (Virtual Event)	BFPD & LAFCO	September 14, 2022	BFPD and LAFCO will host a virtual educational study session to inform the community about the reorganization effort, discuss the future of the Branciforte Fire Station, and answer any questions by the residents.
Host Study Session (In-Person Event)	BFPD & LAFCO	September 14, 2022	BFPD and LAFCO will host an in-person educational study session to inform the community about the reorganization effort, discuss the future of the Branciforte Fire Station, and answer any questions by the residents.
Hire Consulting Firm to Produce Benefit Assessment Study	BFPD	October 20, 2022	Based on the input from the community, the Board will consider hiring SCI Consulting to produce a benefit assessment study to determine the cost to keep the Branciforte Fire Station open post-reorganization.
Post Notice of Vacancy	BFPD	December 1, 2022	One board member resigned from BFPD on November 7, 2022. In accordance with state law, BFPD will post a Notice of Vacancy to solicit applications from eligible candidates who live within BFPD and are registered voters. Deadline to submit applications will be December 16, 2022.
Post Updated Notice of Vacancy	BFPD	December 16, 2022	A second board member resigned from BFPD on December 7, 2022. A new Notice of Vacancy will be posted with a new deadline to submit applications (December 30). Eligible candidates may apply for either seat or both. A special meeting will be conducted to appoint the two new members.
Conduct Board Meeting (Appoint New Board Members)	BFPD	January 19, 2023	Appoint two new board members to address the current vacancies on the BFPD Board.
1) Review Draft Report (BFPD Study Session)	BFPD & LAFCO	February 10, 2023	BFPD will review the draft study and determine whether a mailed-in election process will be conducted. Registered Voters within BFPD will vote to approve the proposed benefit assessment measure to fund the BFPD Fire Station with two full-time paramedic firefighters.
1) Discuss Application Status (Pending Items)	BFPD, SVFPD, and LAFCO	February 15, 2023	Address any pending items (ex. Plan for Service). These items must be resolved before LAFCO staff can deem this project complete and ready for Commission consideration.
2) Conduct Board Meeting (Schedule Election Process)	BFPD & LAFCO	March 16, 2023	The BFPD will decide if they will coordinate with the County Election's Department to determine how to properly organize and schedule the vote-by-mail process for the proposed benefit assessment.
1) Adopt Property Tax Agreement	County	March 28, 2023	The County will need to determine the transfer of ad valorem property tax revenues to fulfill the requirements of Section of the Revenue and Taxation Code. Unanimously approved by BOS.
1) CALPERS Actuarial Report	CALPERS	April 10, 2023	CALPERS will provide an actuarial report showing SVFPD as the successor agency of BFPD's existing pension obligations.
1) Host Educational Workshop (In-Person Setting)	BFPD	April 22, 2023	BFPD will host an in-person educational study session to inform the community about the reorganization effort, discuss the proposed benefit assessment process, and answer any questions by the residents. 1 of 4 workshops (2 in-person; 2 virtual)
Milestones To Be Completed	Responsible Agency	Target Date	Description
1) Host Educational Workshop (Virtual Setting)	BFPD	May 11, 2023	BFPD will host an in-person educational study session to inform the community about the reorganization effort, discuss the proposed benefit assessment process, and answer any questions by the residents. 2 of 4 workshops (2 in-person; 2 virtual)
2) Complete Certificate of Filing	LAFCO	May 18, 2023	Pursuant to State law, LAFCO's Executive Officer will deem the project complete when a Certificate of Filing is signed. All required documents and actions need to be accomplished before this step is taken.
1) Host Educational Workshop (In-Person Setting)	BFPD	May 21, 2023	BFPD will host an in-person educational study session to inform the community about the reorganization effort, discuss the proposed benefit assessment process, and answer any questions by the residents. 3 of 4 workshops (2 in-person; 2 virtual)
1) Advertise LAFCO Hearing in Newspaper(s)	LAFCO	May 22, 2023	Pursuant to State law, LAFCO will advertise the consideration of the proposed reorganization in a newspaper(s) at least 21-days prior to the hearing date (GCS 56157[h] - 1/8 page in newspaper).
1) Host Educational Workshop (Virtual Setting)	BFPD	June 7, 2023	BFPD will host an in-person educational study session to inform the community about the reorganization effort, discuss the proposed benefit assessment process, and answer any questions by the residents. 4 of 4 workshops (2 in-person; 2 virtual)
1) Conduct LAFCO Hearing (Consider Proposal)	LAFCO	June 14, 2023	The Commission will consider the proposed change of organization in a public forum. Affected/interested agencies and members of the public will have an opportunity to address the Commission on this matter.
1) Record CEQA Document	LAFCO	June 15, 2023	The affected parties and LAFCO must determine which environmental document will be needed to fulfill the requirement of the California Environmental Quality Act. LAFCO may act as the Lead Agency.
			Pursuant to state law, the request for reconsideration period is 30 days.
1) Conduct 30-day Request for Reconsideration Period	LAFCO	June 15, 2023 to July 14, 2023	Reconsideration: If the reorganization is approved, any person or affected agency may file a written request with the executive officer requesting amendments to or reconsideration of the adopted resolution. The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration.
1) Mailed-In Election Results (If Conducted)	BFPD	July 20, 2023	BFPD will certify the results of the mailed-in election. A public hearing will also occur on this date.
1) Mail-Out Protest Notice	LAFCO	July 21, 2023	State law requires LAFCO to conduct a protest proceeding and notify the affected residents. A protest notice will be mailed to the landowners/registered voters.
1) Advertise LAFCO Protest Hearing in Newspaper(s)	LAFCO	July 27, 2023	Pursuant to State law, LAFCO will advertise the protest proceedings for the reorganization in a newspaper(s) at least 21-days prior to the hearing date (GCS 56157[h] - 1/8 page in newspaper).
1) Conduct Protest Proceedings	LAFCO	July 27, 2023 to August 25, 2023 (30 days)	Pursuant to state law, the date of the protest hearing shall not be less than 21 days or more than 60 days after the date the notice is given. This is an opportunity for affected residents/landowners to submit protest petitions against the Commission's action (i.e. approval of the reorganization). If less than 25% oppose, then Commission action holds If 25%-50% oppose, then election is required If more than 50% oppose, then Commission action is terminated
1) Conduct Protest Hearing (Collect Final Petitions)	LAFCO	August 25, 2023	A protest hearing will be held to receive any final protest petitions from affected residents/landowners.
1) Conduct LAFCO Hearing (Adopt Protest Results)	LAFCO	September 6, 2023	Pursuant to state law, LAFCO will adopt a resolution acknowledging the results of the protest proceedings.
1) Complete Terms & Conditions	BFPD, SVFPD, and LAFCO	September 2023	The adopted resolution from the June 2023 LAFCO Meeting will list a number of terms and conditions. The affected parties will be responsible to fulfill such conditions prior to recordation, including but not limited to legislative assistance, bond measures, etc.
1) Record Proposal (Officially Dissolve BFPD and Concurrently Annex Dissolved Area to SVFPD)	LAFCO	September - October 2023	LAFCO: Recordation of the approved proposal with the County and the State Board of Equalization. BFPD-SVFPD: The effective date of the reorganization may be the day of recordation or a specified date. The affected parties may specify the effective date as a potential condition in the LAFCO resolution.
1) Distribute Certificate of Completion	LAFCO	September - October 2023	LAFCO will send a copy of the Certificate of Completion, which includes the adopted resolution, to all affected/interested parties.
1) State Board of Equalization (Update Tax Roll)	SBE	October 2023	Reorganization will be reflected in new tax roll.

note: For Discussion Purposes Only; Dates Subject to Change

EXHIBIT F:

Branciforte Advisory Commission (Draft Policy & Bylaws)

BRANCIFORTE FIRE ADVISORY COMMISSION (POLICY)

Establishment – Statutory authority.

The Scotts Valley Fire Protection District establishes the Branciforte Fire Advisory Commission under the authority of ~~Government~~ Code Section ~~13596~~.

Health and Safety

13956

Membership.

- (A) The Commission shall consist of five members, residents of the Branciforte Service Zone (former territory of the Branciforte Fire Protection District), appointed by the Board of Directors.
- (B) Prospective members shall submit a letter of interest to the Fire Chief. The Fire Chief shall recommend members for appointment by the Board of Directors.

Term of office.

Each member shall serve a term of four years, with terms beginning January 1 of odd years. Terms shall be staggered i.e. two seats in the first cycle and three seat in the second cycle. The initial members shall draw lots to determine which serve two year terms and which serve four year terms.

Organization and procedures

- (A) General Organization. The Commission shall comply with all Scotts Valley Fire Protection District policies, particularly those governing conduct of Board meeting and Committees of the Board of Directors.
- (B) Staff Support. The Fire Chief shall provide staff support for the Commission as appropriate.
- (C) Meetings. The Commission shall meet twice yearly; during budget preparation and again at the time of mid-year budget review. With approval of the Fire Chief, the Commission may convene additional meetings for specific purposes, but in no case will more than four meetings be held in a calendar year.
- (D) Quorum. A quorum must be present in order for any matters requiring a vote to be acted on. A quorum shall be one person more than one-half the appointed members.

Powers and duties.

The Commission shall make efforts to ensure the interests of the Branciforte community are protected and promoted by monitoring, studying, and advising the Fire Chief and the Board of Directors on:

- (A) The preparation and implementation of Scotts Valley Fire Protection District plans and processes, including the development of Master Plans, Strategic Plans, Standards of Cover, Capital Plans, Community Wildfire Protection Plans, and Annual Budgets.
- (B) The continued use and maintenance of the Branciforte Fire Station.
- (C) The continued collection and allocation of Measure T funds.
- (D) The Commission shall also serve as a liaison to community-based groups such as Firewise Communities, Community Emergency Response Teams, and others as may be organized.
- (E) Such other matters relating to the Fire District's services and programs as the Commission desires to bring to the attention of the Fire Chief and the Board of Directors.

BRANCIFORTE FIRE ADVISORY COMMISSION (BYLAWS)

I. DUTIES AND RESPONSIBILITIES

The Commission shall exercise those duties and responsibilities set forth for the Commission in Scotts Valley Fire Protection District Policy (Enter Policy No.)

II. MEETINGS

1. The regular meeting of the Commission shall be held twice each calendar year, by schedule, as determined by a majority of Commission members each January.

Special meetings may be called by the Chair, or by a majority vote of the Commission, during any regular or special meeting and must be approved by the Fire Chief. A quorum is represented by a simple majority of those Commissioners currently appointed.

Meetings will typically be held at the Branciforte Fire Station.

2. At least seventy-two (72) hours prior to each regular meeting, an agenda shall be mailed to each Commission member and to any person or organization which has submitted a written request to the Commission for notification of meetings and shall be posted at a location that is freely accessible to the public. The agenda shall contain a brief general description of each item of business to be transacted or discussed at the meeting.
3. Notice for a special meeting must be received at least twenty-four (24) hours prior to the time of the meeting. An agenda for the special meeting shall be mailed to each Commission member and to each person or organization which has submitted a written request to the Commission for notification of meetings and shall be posted at least twenty-four (24) hours prior to the special meeting at a location that is freely accessible to members of the public. No business other than that listed on the agenda shall be considered at a special meeting.
4. A person shall not be required to register his or her name or fulfill any other obligation as a condition to attendance at any meeting of this Commission but may volunteer such information for inclusion in the Commission minutes.
5. The meetings will be conducted in accordance with Roberts Rules of Order Revised unless otherwise specified by the authorizing legislation or these bylaws.

III. OFFICERS

1. The officers of the Commission are the Chair, Vice-Chair, and Secretary.
2. The duties of the Chair are to preside over the meetings, prepare agendas, and execute all documents on behalf of the Commission. The Vice-Chair shall assume these same duties in the absence of the Chair. The Secretary shall keep minutes of each meeting.
3. Election of officers shall take place at the annual organizational meeting held in January of each year at a day, time and place to be announced in its meeting notice. Term of office is limited to one year.

IV. AGENDAS

1. No action or discussion shall be undertaken on any item not appearing on the posted agenda except that members of the Commission may briefly respond to statements made or questions posed by persons exercising their public testimony rights or ask a question for clarification, refer the matter to staff or to other resources for factual information, or request staff to report back at a subsequent meeting concerning any matter.
2. Notwithstanding, the foregoing action may be taken on a item of business not appearing on the posted agenda upon a determination by two-thirds vote of the membership of the Commission, or if less than two-thirds of the members are present, by unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the Commission subsequent to the agenda being posted.
3. Community oral communication will be heard as the first item of business on each agenda. Oral communication shall be limited to non-agenda items which are within the subject matter jurisdiction of the Commission.
4. Public comments presented during oral communication will be limited to three minutes.
5. The Chair of the Commission may establish reasonable limits on the amount of time allotted to each speaker on a particular item.
6. The Chair may establish a reasonable limit on the total amount of time allotted for public testimony of a particular item or the total amount of time allotted for community oral communications.
7. When further discussion is required, the Commission may vote to allot time in the agenda of the following meetings.

V. COMMITTEES

1. Committees or task forces may be appointed as needed by the Chair with the majority approval of the Commission. The Chair, with the majority approval of the Commission, shall terminate the committee when its function is no longer necessary.
2. All committees shall comply with the notice and agenda requirements otherwise applicable to the Commission in these Bylaws, except for committees composed solely of less than a quorum of the members of the Commission which are not standing subcommittees of the Commission with either a continuing subject matter jurisdiction or a meeting schedule fixed by resolution or other formal action of the Commission.

VI. PUBLIC INPUT

Beside public input on non-agenda items as described in Item 4 (c), the public may comment on agenda items before or during the Commission consideration of the item. Comments should be directly related to the agenda item and be concise. The Chair shall regulate such comments to insure they come at an appropriate time to be considered in Commission deliberations and are not too long or duplicative. Written materials may also be submitted related to agenda items. These shall be considered as part of the Commission deliberations.

VII. AMENDMENTS TO BYLAWS

1. Amendments to these Bylaws may be recommended to the Board of Directors by a majority vote of the Commission.
2. These Bylaws, and any subsequent amendments thereto, shall be approved by the Board of Directors pursuant to Scotts Valley Fire District Policy (Enter Policy No.).
3. Proposed amendments shall be sent out with the agendas.

Chair, Branciforte Fire Advisory Commission

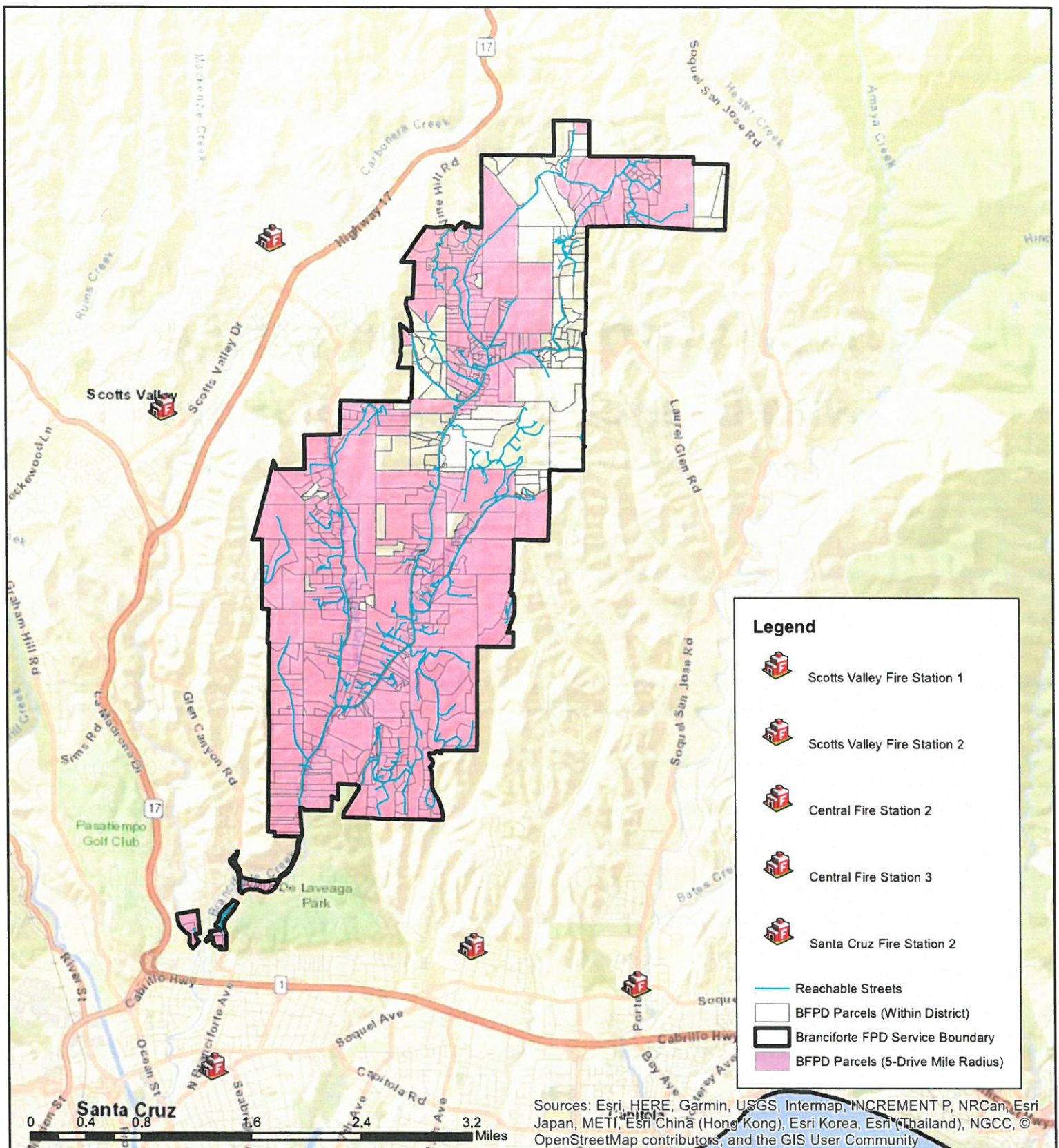
Date Adopted by Commission: _____

Chair, Scotts Valley Fire District Board of Directors

Date Adopted by Board of Directors: _____

EXHIBIT G:

5-Driving Mile Distance (without Branciforte Fire Station)



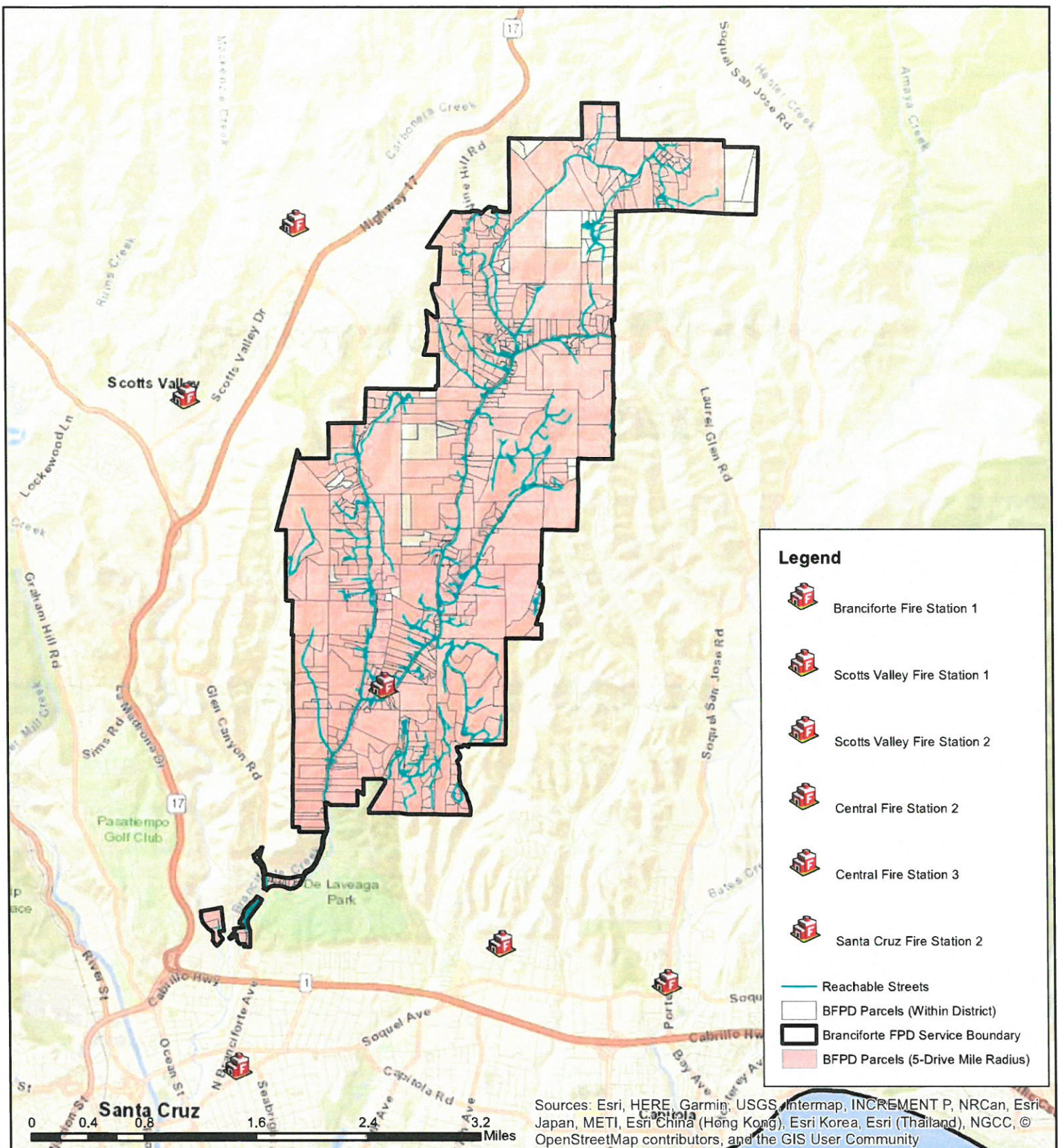
Branciforte Fire Protection District (Surrounding Fire Stations)

Based on LAFCO's analysis, 655 out of 745 parcels (88%) can be reached by surrounding fire stations (with at least 3 firefighters) within a 5-mile driving distance excluding the B40 Fire Station in operation. This means that 90 parcels (12%) will be beyond a 5-mile driving distance from a fire station if the B40 station does not obtain proper funding or staffing.



EXHIBIT H:

5-Driving Mile Distance (with Branciforte Fire Station)



Based on LAFCO's analysis, 737 out of 745 parcels (99%) can be reached by surrounding fire stations within a 5-mile driving distance including the B40 Fire Station in full operation (at least 2 firefighters on duty). This means that 8 parcels (1%) are currently beyond a 5-mile driving distance from a nearby fire station.

Under this scenario, the B40 Fire Station requires a new benefit assessment to be in full operation.

EXHIBIT I:

CalPERS Cost Analysis (dated 4/4/23)



California Public Employees' Retirement System
Actuarial Office

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442 | www.calpers.ca.gov

April 4, 2023

**Safety Plan of the Scotts Valley Fire Protection District
(CalPERS ID: 4027652040)
Amendment Actuarial Valuation Report as of June 30, 2021**

Section 20508 Cost Analysis for Merger with Branciforte Fire Protection District

Dear Requestor:

A cost analysis for the valuation(s) requested above and related information is enclosed.

The change in the employer contribution rate, as of the effective date of the proposed merger, is displayed on page 3.

Government Code sections 20463 (b) and (c) require the governing body of a public agency which requests a contract cost analysis to provide each affected employee organization with a copy within five days of receipt. Likewise, if a cost analysis is requested by an employee organization, the employee organization is required to provide a copy of the analysis to the public agency within five days of receipt.

This cost analysis expires July 1, 2023. A Resolution of Intention declaring the agency's intent to amend the contract must be approved by the agency's governing body. The approved resolution must be received by this office on or before July 1, 2023. If either of these two conditions is not met, an updated cost analysis is required to merge the contracts. An updated cost analysis may be available as early as September 2023.

To complete the contract merger process based on the enclosed analysis, do the following:

- Complete and return the enclosed Contract Request and Schedule of Agency Actions forms. Within 90 days, CalPERS staff will send your agency the Resolution of Intention form for adoption.
- Complete and return the adopted Resolution of Intention to CalPERS on or before July 1, 2023. Adoption of the Final Resolution/Ordinance by this date is not required.

If you have questions about the cost analysis, please call (888) CalPERS (225-7377). Please ask to speak to a contract analyst for questions about the timing of the contract amendment. Please ask to speak to me for questions about this cost analysis.

A handwritten signature in black ink, appearing to read "David Clement".

DAVID CLEMENT, ASA, MAAA, EA
Senior Actuary, CalPERS



**Amendment Actuarial Valuation
as of June 30, 2021**

**for the
Safety Plan
of the
Scotts Valley Fire Protection District
(CalPERS ID: 4027652040)**

**Required Contributions
for Fiscal Year
July 1, 2023 – June 30, 2024**

Introduction

This report presents the June 30, 2021 actuarial valuation results of the proposed merger of the Branciforte Fire Protection District with the Scotts Valley Fire Protection District Safety Plan, pursuant to Section 20508 of the California Public Employees' Retirement Law.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68. A separate accounting valuation report for annual GASB reporting purposes is available from CalPERS and details for ordering are available on our website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law; and differences between the required contributions determined by the valuation and the actual contributions made by the agency.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the recommendations of Actuarial Standards of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 5.8% and 7.8%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2021.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.

Required Employer Contributions

The following tables show the change in the plans' employer contribution requirements for fiscal year 2023-24 due to the proposed merger. If the effective date of the proposed merger is prior to July 1, 2023, the contribution requirements for the remainder of fiscal year 2023-24 will remain unchanged.

	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre-Merger)	Scotts Valley Fire Protection District (Post-Merger)
	Fiscal Year 2023-24	Fiscal Year 2023-24	Fiscal Year 2023-24
Development of Normal Cost as a Percentage of Payroll			
Base Total Normal Cost for Formula	31.82%	31.82%	31.82%
Surcharge for Class 1 Benefits ¹			
a) FAC 1	1.32%	0.00%	1.32%
Plan's Total Normal Cost	33.14%	31.82%	33.14%
Plan's Employee Contribution Rate ²	<u>8.99%</u>	<u>8.99%</u>	<u>8.99%</u>
Employer Normal Cost Rate	24.15%	22.83%	24.15%
Projected Payroll for Contribution Fiscal Year	\$1,949,471	\$169,596	\$2,119,067
Estimated Employer Contributions Based on Projected Payroll			
Plan's Estimated Employer Normal Cost	\$470,797	\$38,719	\$511,755
Plan's Payment on Amortization Bases	1,021,417	68,255	1,089,672
% of Projected Payroll (illustrative only)	52.39%	40.25%	51.42%
Estimated Total Employer Contribution	\$1,492,214	\$106,974	\$1,601,427
% of Projected Payroll (illustrative only)	76.54%	63.08%	75.57%
Required Employer Contributions			
Employer Normal Cost Rate	24.15%	22.83%	24.15%
Plus, Either			
1) Monthly UAL Payment	\$85,118.08	\$5,687.92	\$90,806.00
Or			
2) Annual UAL Prepayment*	\$988,365	\$66,046	\$1,054,411

The total minimum required employer contribution is the **sum** of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).

**Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).*

¹ The Section 2 report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

² The rate displayed is the actual average employee contribution rate for the Risk Pool, which takes into account adjustments for Social Security contribution offsets. The required employee contribution, which is set by statute, is <<9%>> of pay.

Plan's Funded Status

June 30, 2021	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre-Merger)	Scotts Valley Fire Protection District (Post-Merger)
1. Present Value of Projected Benefits (PVB)	\$54,346,477	\$4,006,414	\$58,379,757
2. Entry Age Accrued Liability (AL)	50,846,730	3,509,364	54,356,094
3. Plan's Market Value of Assets (MVA)	41,417,299	3,212,821	44,630,120
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	9,429,431	296,543	9,725,974
5. Funded Ratio [(3) / (2)]	81.5%	91.5%	82.1%

The UAL and funded ratio are assessments of the need for future employer contributions based on the actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. The funded ratio, on the other hand, is a relative measure of funded status that allows for comparison between plans of different sizes. For measures of funded status that are appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

Projected Employer Contributions

The tables below show the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. In particular, the investment return beginning with fiscal year 2021-22 is assumed to be 6.80% per year, net of investment and administrative expenses. Actual contribution rates during this projection period could be significantly higher or lower than the projection shown below. The projected normal cost percentages below reflect that the normal cost will continue to decline over time as new employees are hired into lower cost benefit tiers. Future contribution requirements may differ significantly from those shown below. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund.

Scotts Valley Fire Protection District

Pre-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	24.15%	24.2%	24.2%	24.2%	24.2%	24.2%
UAL Payment	\$1,021,417	\$1,007,000	\$961,000	\$913,000	\$845,000	\$878,000

Branciforte Fire Protection District

Pre-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	22.83%	22.8%	22.8%	22.8%	22.8%	22.8%
UAL Payment	\$68,255	\$0	\$0	\$0	\$0	\$0

Scotts Valley Fire Protection District

Post-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	24.15%	24.2%	24.2%	24.2%	24.2%	24.2%
UAL Payment	\$1,089,672	\$1,007,000	\$961,000	\$913,000	\$845,000	\$878,000

Schedule of Plan's Amortization Bases

The following pages display the amortization base schedules for Scotts Valley Fire Protection District before and after the proposed merger, as well as the amortization base schedule for Branciforte Fire Protection District before the proposed merger. Note that there is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2021.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: fiscal year 2023-24.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Schedule of Plan's Amortization Bases (Continued)

Scotts Valley Fire Protection District (Pre-Merger)

Reason for Base	Date Est.	Ramp Level	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	22	4,405,318	307,114	4,387,495	315,560	4,359,732	316,439
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	22	(267,710)	(18,663)	(266,627)	(19,177)	(264,939)	(19,230)
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.80%	14	2,893,408	249,140	2,832,688	255,991	2,760,759	258,116
Assumption Change	6/30/14	100%	Up/Down	2.80%	13	1,943,428	195,423	1,873,623	200,798	1,793,517	203,023
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	23	(3,157,689)	(214,208)	(3,151,041)	(220,099)	(3,137,852)	(220,524)
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	23	38,398	2,605	38,317	2,676	38,157	2,682
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	24	1,938,165	128,165	1,937,509	131,689	1,933,167	131,833
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	24	(6,988)	(462)	(6,986)	(475)	(6,970)	(475)
Assumption Change	6/30/16	100%	Up/Down	2.80%	15	761,230	56,013	755,108	71,942	732,108	72,603
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	25	2,523,969	132,014	2,559,170	169,555	2,557,968	169,601
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	25	(405,766)	(21,223)	(411,425)	(27,259)	(411,231)	(27,266)
Assumption Change	6/30/17	100%	Up/Down	2.80%	16	987,755	53,778	999,346	73,676	991,162	92,860
Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	26	(1,251,743)	(49,192)	(1,286,025)	(67,393)	(1,303,828)	(84,199)
Non-Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	26	31,162	1,225	32,015	1,678	32,458	2,096
Assumption Change	6/30/18	80%	Up/Down	2.80%	17	1,479,161	53,938	1,524,002	83,132	1,541,722	111,637
Investment (Gain)/Loss	6/30/18	80%	Up/Down	2.80%	27	(388,929)	(10,338)	(404,692)	(15,934)	(415,744)	(21,213)
Method Change	6/30/18	80%	Up/Down	2.80%	17	333,447	12,159	343,556	18,741	347,550	25,166
Non-Investment (Gain)/Loss	6/30/18	80%	Up/Down	2.80%	27	181,653	4,829	189,015	7,442	194,177	9,908
Investment (Gain)/Loss	6/30/19	60%	Up Only	0.00%	18	189,066	4,134	197,650	8,267	202,547	12,178
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	18	220,837	20,152	215,028	20,152	208,824	19,799
Investment (Gain)/Loss	6/30/20	40%	Up Only	0.00%	19	863,999	0	922,751	20,213	964,609	39,652
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	19	151,315	0	161,604	14,775	157,324	14,509
Assumption Change	6/30/21	No Ramp		0.00%	20	269,045	(19,772)	307,773	(20,326)	349,707	31,447
Net Investment (Gain)	6/30/21	20%	Up Only	0.00%	20	(4,064,124)	0	(4,340,484)	0	(4,635,637)	(99,642)
Non-Investment (Gain)/Loss	6/30/21	No Ramp		0.00%	20	(190,925)	0	(203,908)	0	(217,774)	(19,583)
Risk Mitigation	6/30/21	No Ramp		0.00%	1	1,228,060	(25,303)	1,337,717	(26,011)	1,455,563	1,504,238
Risk Mitigation Offset	6/30/21	No Ramp		0.00%	1	(1,276,111)	0	(1,362,887)	0	(1,455,563)	(1,504,238)
Total						9,429,431	861,528	9,180,292	999,613	8,771,513	1,021,417

Schedule of Plan's Amortization Bases (Continued)

Branciforte Fire Protection District (Pre-Merger)

Reason for Base	Date Est.	Ramp Level	Ramp Shape	Escala- tion Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Fresh Start	6/30/21	No Ramp	No Ramp	0.00%	1	296,543	129,785	182,583	124,780	66,046	68,255
Total						296,543	129,785	182,583	124,780	66,046	68,255

Schedule of Plan's Amortization Bases (Continued)

Scotts Valley Fire Protection District (Post-Merger)

Reason for Base	Date Est.	Ramp Level	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	22	4,405,318	307,114	4,387,495	315,560	4,359,732	316,439
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.80%	22	(267,710)	(18,663)	(266,627)	(19,177)	(264,939)	(19,230)
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.80%	14	2,893,408	249,140	2,832,688	255,991	2,760,759	258,116
Assumption Change	6/30/14	100%	Up/Down	2.80%	13	1,943,428	195,423	1,873,623	200,798	1,793,517	203,023
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	23	(3,157,689)	(214,208)	(3,151,041)	(220,099)	(3,137,852)	(220,524)
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.80%	23	38,398	2,605	38,317	2,676	38,157	2,682
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	24	1,938,165	128,165	1,937,509	131,689	1,933,167	131,833
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.80%	24	(6,988)	(462)	(6,986)	(475)	(6,970)	(475)
Assumption Change	6/30/16	100%	Up/Down	2.80%	15	761,230	56,013	755,108	71,942	732,108	72,603
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	25	2,523,969	132,014	2,559,170	169,555	2,557,968	169,601
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.80%	25	(405,766)	(21,223)	(411,425)	(27,259)	(411,231)	(27,266)
Assumption Change	6/30/17	100%	Up/Down	2.80%	16	987,755	53,778	999,346	73,676	991,162	92,860
Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	26	(1,251,743)	(49,192)	(1,286,025)	(67,393)	(1,303,828)	(84,199)
Non-Investment (Gain)/Loss	6/30/17	100%	Up/Down	2.80%	26	31,162	1,225	32,015	1,678	32,458	2,096
Assumption Change	6/30/18	80%	Up/Down	2.80%	17	1,479,161	53,938	1,524,002	83,132	1,541,722	111,637
Investment (Gain)/Loss	6/30/18	80%	Up/Down	2.80%	27	(388,929)	(10,338)	(404,692)	(15,934)	(415,744)	(21,213)
Method Change	6/30/18	80%	Up/Down	2.80%	17	333,447	12,159	343,556	18,741	347,550	25,166
Non-Investment (Gain)/Loss	6/30/18	80%	Up/Down	2.80%	27	181,653	4,829	189,015	7,442	194,177	9,908
Investment (Gain)/Loss	6/30/19	60%	Up Only	0.00%	18	189,066	4,134	197,650	8,267	202,547	12,178
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	18	220,837	20,152	215,028	20,152	208,824	19,799
Investment (Gain)/Loss	6/30/20	40%	Up Only	0.00%	19	863,999	0	922,751	20,213	964,609	39,652
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	19	151,315	0	161,604	14,775	157,324	14,509
Assumption Change	6/30/21	No Ramp		0.00%	20	269,045	(19,772)	307,773	(20,326)	349,707	31,447
Net Investment (Gain)	6/30/21	20%	Up Only	0.00%	20	(4,064,124)	0	(4,340,484)	0	(4,635,637)	(99,642)
Non-Investment (Gain)/Loss	6/30/21	No Ramp		0.00%	20	(190,925)	0	(203,908)	0	(217,774)	(19,583)
Risk Mitigation	6/30/21	No Ramp		0.00%	1	1,228,060	(25,303)	1,337,717	(26,011)	1,455,563	1,504,238
Risk Mitigation Offset	6/30/21	No Ramp		0.00%	1	(1,276,111)	0	(1,362,887)	0	(1,455,563)	(1,504,238)
Merger (Branciforte)	6/30/21	No Ramp		0.00%	1	296,543	129,785	182,583	124,780	66,046	68,255
Total						9,725,974	991,313	9,362,875	1,124,393	8,837,559	1,089,672

Future Investment Return Scenarios

Analysis using the investment return scenarios from the Asset Liability Management process completed in 2021 was performed to determine the effects of various future investment returns on required employer contributions. The projections below reflect the impact of the CalPERS Funding Risk Mitigation policy. The projected normal cost rates reflect that the rates are anticipated to decline over time as new employees are hired into lower-cost benefit tiers. The projections also assume that all other actuarial assumptions will be realized and that no further changes in assumptions, contributions, benefits, or funding will occur.

The first table shows projected contribution requirements if the fund were to earn either 3.0% or 10.8% annually. These alternate investment returns were chosen because 90% of long-term average returns are expected to fall between them over the 20-year period ending June 30, 2041.

Scotts Valley Fire Protection District (Pre-Merger)

Assumed Annual Return FY 2021-22 through FY 2040-41	Projected Employer Contributions				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
3.0% (5th percentile)					
Normal Cost Rate	24.2%	24.2%	24.2%	24.2%	24.2%
UAL Contribution	\$1,045,000	\$1,079,000	\$1,149,000	\$1,242,000	\$1,477,000
10.8% (95th percentile)					
Normal Cost Rate	24.6%	25.0%	25.4%	25.8%	26.3%
UAL Contribution	\$971,000	\$854,000	\$694,000	\$0	\$0

Scotts Valley Fire Protection District (Post-Merger)

Assumed Annual Return FY 2021-22 through FY 2040-41	Projected Employer Contributions				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
3.0% (5th percentile)					
Normal Cost Rate	24.2%	24.2%	24.2%	24.2%	24.2%
UAL Contribution	\$1,048,000	\$1,088,100	\$1,167,000	\$1,273,000	\$1,523,000
10.8% (95th percentile)					
Normal Cost Rate	24.6%	25.0%	25.4%	25.8%	26.3%
UAL Contribution	\$971,000	\$854,000	\$694,000	\$0	\$0

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 3.0% or greater than 10.8% over a 20-year period, the likelihood of a single investment return less than 3.0% or greater than 10.8% in any given year is much greater. The following analysis illustrates the effect of an extreme, single year investment return.

The portfolio has an expected volatility (or standard deviation) of 12.0% per year. Accordingly, in any given year there is a 16% probability that the annual return will be -5.2% or less and a 2.5% probability that the annual return will be -17.2% or less. These returns represent one and two standard deviations below the expected return of 6.8%.

The following table shows the effect of a one or two standard deviation investment loss in FY 2021-22 on the FY 2024-25 contribution requirements. Note that a single-year investment gain or loss decreases or increases the required UAL contribution amount incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year. Historically, significant downturns in the market are often followed by higher than average returns. Such investment gains would offset the impact of these single year negative returns in years beyond FY 2024-25.

Future Investment Return Scenarios (Continued)

Scotts Valley Fire Protection District (Pre-Merger)

Assumed Annual Return for Fiscal Year 2021-22	Required Employer Contributions	Projected Employer Contributions
	FY 2023-24	FY 2024-25
(17.2%) (2 standard deviation loss)		
Normal Cost Rate	24.15%	24.2%
UAL Contribution	\$1,021,417	\$1,251,000
(5.2%) (1 standard deviation loss)		
Normal Cost Rate	24.15%	24.2%
UAL Contribution	\$1,021,417	\$1,129,000

Scotts Valley Fire Protection District (Post-Merger)

Assumed Annual Return for Fiscal Year 2021-22	Required Employer Contributions	Projected Employer Contributions
	FY 2023-24	FY 2024-25
(17.2%) (2 standard deviation loss)		
Normal Cost Rate	24.15%	24.2%
UAL Contribution	\$1,089,672	\$1,270,000
(5.2%) (1 standard deviation loss)		
Normal Cost Rate	24.15%	24.2%
UAL Contribution	\$1,089,672	\$1,138,500

- Without investment gains (returns higher than 6.8%) in year FY 2022-23 or later, projected contributions rates would continue to rise over the next four years due to the continued phase-in of the impact of the illustrated investment loss in FY 2021-22.
- The Pension Outlook Tool can be used to model projected contributions for these scenarios beyond FY 2024-25 as well as to model other investment return scenarios.

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.5% and 2.3%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2021 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 6.8% as well as alternate discount rates of 5.8% and 7.8%. The rates of 5.8% and 7.8% were selected since they illustrate the impact of a 1.0% increase or decrease to the 6.8% assumption.

Sensitivity to the Real Rate of Return Assumption

Scotts Valley Fire Protection District (Pre-Merger)

As of June 30, 2021	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	41.56%	33.14%	26.71%
b) Accrued Liability	57,502,422	50,846,730	45,344,237
c) Market Value of Assets	41,417,299	41,417,299	41,417,299
d) Unfunded Liability/(Surplus) [(b) - (c)]	16,085,123	9,429,431	3,926,938
e) Funded Status	72.0%	81.5%	91.3%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	41.56%	33.14%	26.71%
b) Accrued Liability	61,477,779	54,356,094	48,470,902
c) Market Value of Assets	44,630,120	44,630,120	44,630,120
d) Unfunded Liability/(Surplus) [(b) - (c)]	16,847,659	9,725,974	3,840,782
e) Funded Status	72.6%	82.1%	92.1%

Discount Rate Sensitivity (continued)

Sensitivity to the Price Inflation Assumption

Scotts Valley Fire Protection District (Pre-Merger)

As of June 30, 2021	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	34.78%	33.14%	30.09%
b) Accrued Liability	52,558,072	50,846,730	46,723,312
c) Market Value of Assets	41,417,299	41,417,299	41,417,299
d) Unfunded Liability/(Surplus) [(b) - (c)]	11,140,773	9,429,431	5,306,013
e) Funded Status	78.8%	81.5%	88.6%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	34.78%	33.14%	30.09%
b) Accrued Liability	56,190,052	54,356,094	49,951,044
c) Market Value of Assets	44,630,120	44,630,120	44,630,120
d) Unfunded Liability/(Surplus) [(b) - (c)]	11,559,932	9,725,974	5,320,924
e) Funded Status	79.4%	82.1%	89.3%

Mortality Rate Sensitivity

The following tables look at the change in the June 30, 2021 plan costs and funded ratio under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2021. This type of analysis highlights the impact on the plan on a future change in the mortality assumption

Scotts Valley Fire Protection District (Pre-Merger)

As of June 30, 2021	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	33.61%	33.14%	32.70%
b) Accrued Liability	51,751,984	50,846,730	50,010,330
c) Market Value of Assets	41,417,299	41,417,299	41,417,299
d) Unfunded Liability/(Surplus) [(b) - (c)]	10,334,685	9,429,431	8,593,031
e) Funded Status	80.0%	81.5%	82.8%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	33.61%	33.14%	32.70%
b) Accrued Liability	55,328,781	54,356,094	53,457,466
c) Market Value of Assets	44,630,120	44,630,120	44,630,120
d) Unfunded Liability/(Surplus) [(b) - (c)]	10,698,661	9,725,974	8,827,346
e) Funded Status	80.7%	82.1%	83.5%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the plan is impacted by investment return volatility, other economic variables and changes in longevity or other demographic assumptions. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio increases. A mature plan will often have a ratio above 60%-65%.

Scotts Valley Fire Protection District as of June 30, 2021

Ratio of Retiree Accrued Liability to Total Accrued Liability	Pre-Merger	Post-Merger
1. Retired Accrued Liability	34,717,994	37,315,551
2. Total Accrued Liability	50,846,730	54,356,094
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.68	0.69

Another measure of the maturity level of CalPERS and its plans is the ratio of actives to retirees, also called the support ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures and members retire, the ratio declines. A mature plan will often have a ratio near or below one.

To calculate the support ratio for the rate plan, retirees and beneficiaries receiving a continuance are each counted as one, even though they may have only worked a portion of their careers as an active member of this rate plan. For this reason, the support ratio, while intuitive, may be less informative than the ratio of retiree liability to total accrued liability above. For comparison, the support ratio for all CalPERS public agency plans is 0.82 and is calculated consistently with how it is for the individual rate plan. Note that to calculate the support ratio for all public agency plans, a retiree with service from more than one CalPERS agency is counted as a retiree more than once.

Scotts Valley Fire Protection District as of June 30, 2021

Support Ratio	Pre-Merger	Post-Merger
1. Number of Actives	12	14
2. Number of Retirees	36	46
3. Support Ratio [(1) / (2)]	0.33	0.31

Maturity Measures (Continued)

Actuarial calculations are based on a number of assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio (AVR)

Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility than a plan with an asset-to-payroll ratio of 4. Shown below is the asset volatility ratio, a measure of the plan's current contribution volatility. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

Liability Volatility Ratio (LVR)

Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, a plan with a liability-to-payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability-to-payroll ratio of 4. The liability volatility ratio is also shown in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The asset volatility ratio, described above, will tend to move closer to the liability volatility ratio as the plan matures.

Scotts Valley Fire Protection District as of June 30, 2021

Contribution Volatility	Pre-Merger	Post-Merger
1. Market Value of Assets	\$41,417,299	\$44,630,120
2. Payroll	1,794,475	1,950,587
3. Asset Volatility Ratio (AVR) [(1) / (2)]	23.1	22.9
4. Accrued Liability	\$50,846,730	\$54,356,094
5. Liability Volatility Ratio (LVR) [(4) / (2)]	28.3	27.9

Participant Data

The table below summarizes changes in the plan's member data.

June 30, 2021	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre- Merger)	Scotts Valley Fire Protection District (Post-Merger)
Reported Payroll	\$1,794,475	\$156,112	\$1,950,587
Projected Payroll for Contribution Purposes	\$1,949,471	\$169,596	\$2,119,067
Number of Members			
Actives	12	2	14
Transferred	8	3	11
Separated	2	1	3
Retired	36	10	46
Total	58	16	74

Additional Disclosure

If your agency is requesting cost information for two or more benefit changes, the cost of adopting more than one of these changes **may not** be obtained by adding the individual costs. Instead, a separate valuation must be done to provide a cost analysis for the combination of benefit changes.

Please note that the cost analysis provided in this document **may not** be relied upon after July 1, 2023. If you have not taken action to contract by this date, you must contact our office for an updated cost analysis, based on the new annual valuation.

Descriptions of the actuarial methodologies, actuarial assumptions, and plan benefit provisions may be found in the appendices of the June 30, 2021 annual report. Please note that the results shown here are subject to change if any of the data or plan provisions differ from what was used in this study.

Certification

This actuarial valuation for the proposed merger is based on the participant, benefits, and asset data used in the June 30, 2021 annual valuation, with the benefits modified, if necessary, to reflect what is currently provided under the agency's contract with CalPERS, and further modified to reflect the proposed merger. It is my opinion that the valuation has been performed in accordance with standards of practice prescribed by the Actuarial Standards Board, and the assumptions and methods are internally consistent and reasonable for this plan, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



DAVID CLEMENT, ASA, MAAA, EA
Senior Actuary, CalPERS



California Public Employees' Retirement System
Actuarial Office

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442 | www.calpers.ca.gov

April 4, 2023

**PEPRA Safety Plan of the Scotts Valley Fire Protection District
(CalPERS ID: 4027652040)
Amendment Actuarial Valuation Report as of June 30, 2021**

Section 20508 Cost Analysis for Merger with Branciforte Fire Protection District

Dear Requestor:

A cost analysis for the valuation(s) requested above and related information is enclosed.

The change in the employer contribution rate, as of the effective date of the proposed merger, is displayed on page 3.

Government Code sections 20463 (b) and (c) require the governing body of a public agency which requests a contract cost analysis to provide each affected employee organization with a copy within five days of receipt. Likewise, if a cost analysis is requested by an employee organization, the employee organization is required to provide a copy of the analysis to the public agency within five days of receipt.

This cost analysis expires July 1, 2023. A Resolution of Intention declaring the agency's intent to amend the contract must be approved by the agency's governing body. The approved resolution must be received by this office on or before July 1, 2023. If either of these two conditions is not met, an updated cost analysis is required to merge the contracts. An updated cost analysis may be available as early as September 2023.

To complete the contract merger process based on the enclosed analysis, do the following:

- Complete and return the enclosed Contract Request and Schedule of Agency Actions forms. Within 90 days, CalPERS staff will send your agency the Resolution of Intention form for adoption.
- Complete and return the adopted Resolution of Intention to CalPERS on or before July 1, 2023. Adoption of the Final Resolution/Ordinance by this date is not required.

If you have questions about the cost analysis, please call (888) CalPERS (225-7377). Please ask to speak to a contract analyst for questions about the timing of the contract amendment. Please ask to speak to me for questions about this cost analysis.

A handwritten signature in black ink, appearing to read "David Clement".

DAVID CLEMENT, ASA, MAAA, EA
Senior Actuary, CalPERS



**Amendment Actuarial Valuation
as of June 30, 2021**

**for the
PEPRA Safety Plan
of the
Scotts Valley Fire Protection District
(CalPERS ID: 4027652040)**

**Required Contributions
for Fiscal Year
July 1, 2023 – June 30, 2024**

Introduction

This report presents the June 30, 2021 actuarial valuation results of the proposed merger of the Branciforte Fire Protection District with the Scotts Valley Fire Protection District PEPRA Safety Plan, pursuant to Section 20508 of the California Public Employees' Retirement Law.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68. A separate accounting valuation report for annual GASB reporting purposes is available from CalPERS and details for ordering are available on our website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law; and differences between the required contributions determined by the valuation and the actual contributions made by the agency.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the recommendations of Actuarial Standards of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 5.8% and 7.8%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2021.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.

Required Contributions

The following tables show the change in the plans' employer contribution requirements for fiscal year 2023-24 due to the proposed merger. If the effective date of the proposed merger is prior to July 1, 2023, the contribution requirements for the remainder of fiscal year 2023-24 will remain unchanged.

	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre-Merger)	Scotts Valley Fire Protection District (Post-Merger)
	Fiscal Year 2023-24	Fiscal Year 2023-24	Fiscal Year 2023-24
Development of Normal Cost as a Percentage of Payroll			
Base Total Normal Cost for Formula 2.7% @ 57	27.29%	27.29%	27.29%
Surcharge for Class 1 Benefits ¹			
None	0.00%	0.00%	0.00%
Plan's Total Normal Cost	27.29%	27.29%	27.29%
Plan's Employee Contribution Rate	<u>13.75%</u>	<u>13.75%</u>	<u>13.75%</u>
Employer Normal Cost Rate	13.54%	13.54%	13.54%
Projected Payroll for Contribution Fiscal Year	\$1,686,148	\$76,997	\$1,763,145
Estimated Employer Contributions Based on Projected Payroll			
Plan's Estimated Employer Normal Cost	\$228,304	\$10,425	\$238,729
Plan's Payment on Amortization Bases	0	584	584
% of Projected Payroll (illustrative only)	N/A	0.75%	0.03%
Estimated Total Employer Contribution	\$228,304	\$11,009	\$239,313
% of Projected Payroll (illustrative only)	13.54%	14.30%	13.57%
Required Employer Contributions			
Employer Normal Cost Rate	13.54%	13.54%	13.54%
Plus			
1) Monthly UAL Payment	\$0	\$48.67	\$48.67
Or			
2) Annual UAL Prepayment*	\$0	\$565	\$565
Required PEPRA Member Rate	13.75%	13.75%	13.75%

The total minimum required employer contribution is the **sum** of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).

**Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).*

For additional detail regarding the determination of the required contribution for PEPRA members, see "PEPRA Member Contribution Rates" in the June 30, 2021 annual valuation report.

¹ The Section 2 report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

Plan's Funded Status

June 30, 2021	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre-Merger)	Scotts Valley Fire Protection District (Post-Merger)
1. Present Value of Projected Benefits (PVB)	\$7,167,714	\$308,105	\$7,529,344
2. Entry Age Accrued Liability (AL)	1,616,496	10,236	1,626,732
3. Plan's Market Value of Assets (MVA)	1,773,541	11,435	1,784,976
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	(157,045)	(1,199)	(158,244)
5. Funded Ratio [(3) / (2)]	109.7%	111.7%	109.7%

The UAL and funded ratio are assessments of the need for future employer contributions based on the actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. The funded ratio, on the other hand, is a relative measure of funded status that allows for comparison between plans of different sizes. For measures of funded status that are appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

Projected Employer Contributions

The tables below show the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. In particular, the investment return beginning with fiscal year 2021-22 is assumed to be 6.80% per year, net of investment and administrative expenses. Actual contribution rates during this projection period could be significantly higher or lower than the projection shown below. The projected normal cost percentages below reflect that the normal cost will continue to decline over time as new employees are hired into lower cost benefit tiers. Future contribution requirements may differ significantly from those shown below. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund.

Scotts Valley Fire Protection District

Pre-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	13.54%	13.5%	13.5%	13.5%	13.5%	13.5%
UAL Payment	\$0	\$0	\$0	\$0	\$0	\$0

Branciforte Fire Protection District

Pre-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	13.54%	13.5%	13.5%	13.5%	13.5%	13.5%
UAL Payment	\$584	\$584	\$584	\$584	\$585	\$0

Scotts Valley Fire Protection District

Post-Merger

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2021-22)				
Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Normal Cost %	13.54%	13.5%	13.5%	13.5%	13.5%	13.5%
UAL Payment	\$584	\$584	\$584	\$584	\$585	\$0

Schedule of Plan's Amortization Bases

The following pages display the amortization base schedules for Scotts Valley Fire Protection District before and after the proposed merger, as well as the amortization base schedule for Branciforte Fire Protection District before the proposed merger. Note that there is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2021.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: fiscal year 2023-24.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Schedule of Plan's Amortization Bases (Continued)

Scotts Valley Fire Protection District (Pre-Merger)

Reason for Base	Date Est.	Ramp Level 2023-24	Escalation Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Fresh Start	6/30/2021			N/A	(157,045)	(38,986)	(127,434)	(39,163)	(95,627)	0
Total					(157,045)	(38,986)	(127,434)	(39,163)	(95,627)	0

Branciforte Fire Protection District (Pre-Merger)

Reason for Base	Date Est.	Ramp Level 2023-24	Escalation Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Fresh Start	6/30/2021	No Ramp	0.00%	5	(1,199)	(1,780)	559	(1,830)	2,488	584
Total					(1,199)	(1,780)	559	(1,830)	2,488	584

Scotts Valley Fire Protection District (Post-Merger)

Reason for Base	Date Est.	Ramp Level 2023-24	Escalation Rate	Amort. Period	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Expected Payment 2022-23	Balance 6/30/23	Minimum Required Payment 2023-24
Fresh Start	6/30/2021			N/A	(157,045)	(38,986)	(127,434)	(39,163)	(95,627)	0
Merger (Branciforte)	6/30/2021	No Ramp	0.00%	5	(1,199)	(1,780)	559	(1,830)	2,488	584
Total					(158,244)	(40,766)	(126,875)	(40,993)	(93,139)	584

Future Investment Return Scenarios

Analysis using the investment return scenarios from the Asset Liability Management process completed in 2021 was performed to determine the effects of various future investment returns on required employer contributions. The projections below reflect the impact of the CalPERS Funding Risk Mitigation policy. The projected normal cost rates reflect that the rates are anticipated to decline over time as new employees are hired into lower-cost benefit tiers. The projections also assume that all other actuarial assumptions will be realized and that no further changes in assumptions, contributions, benefits, or funding will occur.

The first table shows projected contribution requirements if the fund were to earn either 3.0% or 10.8% annually. These alternate investment returns were chosen because 90% of long-term average returns are expected to fall between them over the 20-year period ending June 30, 2041.

Scotts Valley Fire Protection District (Pre-Merger)

Assumed Annual Return FY 2021-22 through FY 2040-41	Projected Employer Contributions				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
3.0% (5th percentile)					
Normal Cost Rate	13.5%	13.5%	13.5%	13.5%	13.5%
UAL Contribution	\$0	\$1,100	\$4,000	\$8,600	\$15,000
10.8% (95th percentile)					
Normal Cost Rate	13.9%	14.3%	14.1%	14.5%	14.8%
UAL Contribution	\$0	\$0	\$0	\$0	\$0

Scotts Valley Fire Protection District (Post-Merger)

Assumed Annual Return FY 2021-22 through FY 2040-41	Projected Employer Contributions				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
3.0% (5th percentile)					
Normal Cost Rate	13.5%	13.5%	13.5%	13.5%	13.5%
UAL Contribution	\$600	\$1,720	\$4,650	\$9,290	\$15,170
10.8% (95th percentile)					
Normal Cost Rate	13.9%	14.3%	14.1%	14.5%	14.8%
UAL Contribution	\$570	\$550	\$0	\$0	\$0

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 3.0% or greater than 10.8% over a 20-year period, the likelihood of a single investment return less than 3.0% or greater than 10.8% in any given year is much greater. The following analysis illustrates the effect of an extreme, single year investment return.

The portfolio has an expected volatility (or standard deviation) of 12.0% per year. Accordingly, in any given year there is a 16% probability that the annual return will be -5.2% or less and a 2.5% probability that the annual return will be -17.2% or less. These returns represent one and two standard deviations below the expected return of 6.8%.

The following table shows the effect of a one or two standard deviation investment loss in FY 2021-22 on the FY 2024-25 contribution requirements. Note that a single-year investment gain or loss decreases or increases the required UAL contribution amount incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year. Historically, significant downturns in the market are often followed by higher than average returns. Such investment gains would offset the impact of these single year negative returns in years beyond FY 2024-25.

Future Investment Return Scenarios (Continued)

Scotts Valley Fire Protection District (Pre-Merger)

Assumed Annual Return for Fiscal Year 2021-22	Required Employer Contributions	Projected Employer Contributions
	FY 2023-24	FY 2024-25
(17.2%) (2 standard deviation loss)		
Normal Cost Rate	13.54%	13.5%
UAL Contribution	\$0	\$8,300
(5.2%) (1 standard deviation loss)		
Normal Cost Rate	13.54%	13.5%
UAL Contribution	\$0	\$3,000

Scotts Valley Fire Protection District (Post-Merger)

Assumed Annual Return for Fiscal Year 2021-22	Required Employer Contributions	Projected Employer Contributions
	FY 2023-24	FY 2024-25
(17.2%) (2 standard deviation loss)		
Normal Cost Rate	13.54%	13.5%
UAL Contribution	\$584	\$8,950
(5.2%) (1 standard deviation loss)		
Normal Cost Rate	13.54%	13.5%
UAL Contribution	\$584	\$3,620

- Without investment gains (returns higher than 6.8%) in year FY 2022-23 or later, projected contributions rates would continue to rise over the next four years due to the continued phase-in of the impact of the illustrated investment loss in FY 2021-22.
- The Pension Outlook Tool can be used to model projected contributions for these scenarios beyond FY 2024-25 as well as to model other investment return scenarios.

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.5% and 2.3%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2021 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 6.8% as well as alternate discount rates of 5.8% and 7.8%. The rates of 5.8% and 7.8% were selected since they illustrate the impact of a 1.0% increase or decrease to the 6.8% assumption.

Sensitivity to the Real Rate of Return Assumption

Scotts Valley Fire Protection District (Pre-Merger)

As of June 30, 2021	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	34.35%	27.29%	21.95%
b) Accrued Liability	\$1,976,736	\$1,616,496	\$1,334,460
c) Market Value of Assets	\$1,773,541	\$1,773,541	\$1,773,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$203,195	(\$157,045)	(\$439,081)
e) Funded Status	89.7%	109.7%	132.9%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	2.3%	2.3%	2.3%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	34.35%	27.29%	21.95%
b) Accrued Liability	\$1,990,645	\$1,626,732	\$1,342,192
c) Market Value of Assets	\$1,784,976	\$1,784,976	\$1,784,976
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$205,669	(\$158,244)	(\$442,784)
e) Funded Status	89.7%	109.7%	133.0%

Discount Rate Sensitivity (continued)**Sensitivity to the Price Inflation Assumption****Scotts Valley Fire Protection District (Pre-Merger)**

As of June 30, 2021	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	28.79%	27.29%	24.69%
b) Accrued Liability	\$1,690,109	\$1,616,496	\$1,469,331
c) Market Value of Assets	\$1,773,541	\$1,773,541	\$1,773,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	(\$83,432)	(\$157,045)	(\$304,210)
e) Funded Status	104.9%	109.7%	120.7%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	5.8%	6.8%	7.8%
Inflation	1.3%	2.3%	3.3%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	28.79%	27.29%	24.69%
b) Accrued Liability	\$1,700,799	\$1,626,732	\$1,478,752
c) Market Value of Assets	\$1,784,976	\$1,784,976	\$1,784,976
d) Unfunded Liability/(Surplus) [(b) - (c)]	(\$84,177)	(\$158,244)	(\$306,224)
e) Funded Status	104.9%	109.7%	120.7%

Mortality Rate Sensitivity

The following tables look at the change in the June 30, 2021 plan costs and funded ratio under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2021. This type of analysis highlights the impact on the plan on a future change in the mortality assumption

Scotts Valley Fire Protection District (Pre-Merger)

As of June 30, 2021	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	27.65%	27.29%	26.95%
b) Accrued Liability	\$1,642,763	\$1,616,496	\$1,592,033
c) Market Value of Assets	\$1,773,541	\$1,773,541	\$1,773,541
d) Unfunded Liability/(Surplus) [(b) - (c)]	(\$130,778)	(\$157,045)	(\$181,508)
e) Funded Status	108.0%	109.7%	111.4%

Scotts Valley Fire Protection District (Post-Merger)

As of June 30, 2021	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	27.65%	27.29%	26.95%
b) Accrued Liability	\$1,653,127	\$1,626,732	\$1,602,149
c) Market Value of Assets	\$1,784,976	\$1,784,976	\$1,784,976
d) Unfunded Liability/(Surplus) [(b) - (c)]	(\$131,849)	(\$158,244)	(\$182,827)
e) Funded Status	108.0%	109.7%	111.4%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the plan is impacted by investment return volatility, other economic variables and changes in longevity or other demographic assumptions. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio increases. A mature plan will often have a ratio above 60%-65%.

Scotts Valley Fire Protection District as of June 30, 2021

Ratio of Retiree Accrued Liability to Total Accrued Liability	Pre-Merger	Post-Merger
1. Retired Accrued Liability	\$210,089	\$210,089
2. Total Accrued Liability	1,616,496	1,626,732
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.13	0.13

Another measure of the maturity level of CalPERS and its plans is the ratio of actives to retirees, also called the support ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures and members retire, the ratio declines. A mature plan will often have a ratio near or below one.

To calculate the support ratio for the rate plan, retirees and beneficiaries receiving a continuance are each counted as one, even though they may have only worked a portion of their careers as an active member of this rate plan. For this reason, the support ratio, while intuitive, may be less informative than the ratio of retiree liability to total accrued liability above. For comparison, the support ratio for all CalPERS public agency plans is 0.82 and is calculated consistently with how it is for the individual rate plan. Note that to calculate the support ratio for all public agency plans, a retiree with service from more than one CalPERS agency is counted as a retiree more than once.

Scotts Valley Fire Protection District as of June 30, 2021

Support Ratio	Pre-Merger	Post-Merger
1. Number of Actives	14	15
2. Number of Retirees	1	1
3. Support Ratio [(1) / (2)]	14.00	15.00

Maturity Measures (Continued)

Actuarial calculations are based on a number of assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio (AVR)

Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility than a plan with an asset-to-payroll ratio of 4. Shown below is the asset volatility ratio, a measure of the plan's current contribution volatility. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

Liability Volatility Ratio (LVR)

Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, a plan with a liability-to-payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability-to-payroll ratio of 4. The liability volatility ratio is also shown in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The asset volatility ratio, described above, will tend to move closer to the liability volatility ratio as the plan matures.

Scotts Valley Fire Protection District as of June 30, 2021

Contribution Volatility	Pre-Merger	Post-Merger
1. Market Value of Assets	\$1,773,541	\$1,784,976
2. Payroll	1,552,088	1,622,963
3. Asset Volatility Ratio (AVR) [(1) / (2)]	1.1	1.1
4. Accrued Liability	\$1,616,496	\$1,626,732
5. Liability Volatility Ratio (LVR) [(4) / (2)]	1.0	1.0

Participant Data

The table below summarizes changes in the plan's member data.

June 30, 2021	Scotts Valley Fire Protection District (Pre-Merger)	Branciforte Fire Protection District (Pre- Merger)	Scotts Valley Fire Protection District (Post-Merger)
Reported Payroll	\$1,552,088	\$70,875	\$1,622,963
Projected Payroll for Contribution Purposes	\$1,686,148	\$76,997	\$1,763,145
Number of Members			
Actives	14	1	15
Transferred	1	1	2
Separated	1	0	1
Retired	1	0	1
Total	17	2	19

Additional Disclosure

If your agency is requesting cost information for two or more benefit changes, the cost of adopting more than one of these changes **may not** be obtained by adding the individual costs. Instead, a separate valuation must be done to provide a cost analysis for the combination of benefit changes.

Please note that the cost analysis provided in this document **may not** be relied upon after July 1, 2023. If you have not taken action to contract by this date, you must contact our office for an updated cost analysis, based on the new annual valuation.

Descriptions of the actuarial methodologies, actuarial assumptions, and plan benefit provisions may be found in the appendices of the June 30, 2021 annual report. Please note that the results shown here are subject to change if any of the data or plan provisions differ from what was used in this study.

Certification

This actuarial valuation for the proposed merger is based on the participant, benefits, and asset data used in the June 30, 2021 annual valuation, with the benefits modified, if necessary, to reflect what is currently provided under the agency's contract with CalPERS, and further modified to reflect the proposed merger. It is my opinion that the valuation has been performed in accordance with standards of practice prescribed by the Actuarial Standards Board, and the assumptions and methods are internally consistent and reasonable for this plan, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



DAVID CLEMENT, ASA, MAAA, EA
 Senior Actuary, CalPERS



1000 Bishops Gate Blv. Ste 300
Mt. Laurel, NJ 08054-5404

t1.800.444.4554 Opt.2
f1.800.777.3929

May 30, 2023

Mr. Russ Patterson, President
Scotts Valley FPSA
7 Erba Lane
Scotts Valley, California, 95066

RE: Scotts Valley Fpsa, Santa Cruz County, California North
Public Protection Classification: 02/10
Effective Date: September 01, 2023

Dear Mr. Russ Patterson,

We wish to thank you and Chief Ron Whittle for your cooperation during our recent Public Protection Classification (PPC) survey. ISO has completed its analysis of the structural fire suppression delivery system provided in your community. The resulting classification is indicated above.

If you would like to know more about your community's PPC classification, or if you would like to learn about the potential effect of proposed changes to your fire suppression delivery system, please call us at the phone number listed below.

ISO's Public Protection Classification Program (PPC) plays an important role in the underwriting process at insurance companies. In fact, most U.S. insurers – including the largest ones – use PPC information as part of their decision-making when deciding what business to write, coverage's to offer or prices to charge for personal or commercial property insurance.

Each insurance company independently determines the premiums it charges its policyholders. The way an insurer uses ISO's information on public fire protection may depend on several things – the company's fire-loss experience, ratemaking methodology, underwriting guidelines, and its marketing strategy.

Through ongoing research and loss experience analysis, we identified additional differentiation in fire loss experience within our PPC program, which resulted in the revised classifications. We based the differing fire loss experience on the fire suppression capabilities of each community. The new classifications will improve the predictive value for insurers while benefiting both commercial and residential property owners. We've published the new classifications as "X" and "Y" — formerly the "9" and "8B" portion of the split classification, respectively. For example:

- A community currently graded as a split 6/9 classification will now be a split 6/6X classification; with the "6X" denoting what was formerly classified as "9."
- Similarly, a community currently graded as a split 6/8B classification will now be a split 6/6Y classification, the "6Y" denoting what was formerly classified as "8B."

- Communities graded with single “9” or “8B” classifications will remain intact.
- Properties over 5 road miles from a recognized fire station would receive a class 10.

PPC is important to communities and fire departments as well. Communities whose PPC improves may get lower insurance prices. PPC also provides fire departments with a valuable benchmark, and is used by many departments as a valuable tool when planning, budgeting and justifying fire protection improvements.

ISO appreciates the high level of cooperation extended by local officials during the entire PPC survey process. The community protection baseline information gathered by ISO is an essential foundation upon which determination of the relative level of fire protection is made using the Fire Suppression Rating Schedule.

The classification is a direct result of the information gathered, and is dependent on the resource levels devoted to fire protection in existence at the time of survey. Material changes in those resources that occur after the survey is completed may affect the classification. Although ISO maintains a pro-active process to keep baseline information as current as possible, in the event of changes please call us at 1-800-444-4554, option 2 to expedite the update activity.

ISO is the leading supplier of data and analytics for the property/casualty insurance industry. Most insurers use PPC classifications for underwriting and calculating premiums for residential, commercial and industrial properties. The PPC program is not intended to analyze all aspects of a comprehensive structural fire suppression delivery system program. It is not for purposes of determining compliance with any state or local law, nor is it for making loss prevention or life safety recommendations.

If you have any questions about your classification, please let us know.

Sincerely,

Alex Shubert

Alex Shubert

Manager -National Processing Center

cc: Mr. Mali LaGoe, City Manager, SCOTTS VALLEY, SANTA CRUZ
 Mr. Waldo Buford, Water Superintendent, Big Redwood Park Water
 Mr. Dave McNair, General Manager, Scotts Valley Water District
 Mr. Chuck Wysong, Water Superintendent, Mission Springs Conference Grounds
 Mr. Josh Wolff, Engineer, San Lorenzo Valley Water District
 Mr. David Tannaci, Engineer, Santa Cruz Water Department
 Ms. Stephanie French, Operations Manager, Santa Cruz Regional 911
 Chief Steve Walpole, Chief Administrative Officer, Scotts Valley Police Department
 Chief Ron Whittle Chief, Santa Cruz Fire Department

Public Protection Classification (PPC®)

Summary Report

Scotts Valley FPSA

California (N)

Prepared by

**Insurance Services Office, Inc.
1000 Bishops Gate Blvd., Ste. 300
P.O. Box 5404
Mt. Laurel, New Jersey 08054-5404
1-800-444-4554**

**Report Created May 2023
Effective September 1, 2023**

Background Information

Introduction

ISO collects and evaluates information from communities in the United States on their structure fire suppression capabilities. The data is analyzed using our Fire Suppression Rating Schedule (FSRS) and then a Public Protection Classification (PPC®) grade is assigned to the community. The surveys are conducted whenever it appears that there is a possibility of a PPC change. As such, the PPC program provides important, up-to-date information about fire protection services throughout the country.

The FSRS recognizes fire protection features only as they relate to suppression of first alarm structure fires. In many communities, fire suppression may be only a small part of the fire department's overall responsibility. ISO recognizes the dynamic and comprehensive duties of a community's fire service, and understands the complex decisions a community must make in planning and delivering emergency services. However, in developing a community's PPC grade, only features related to reducing property losses from structural fires are evaluated. Multiple alarms, simultaneous incidents and life safety are not considered in this evaluation. The PPC program evaluates the fire protection for small to average size buildings. Specific properties with a Needed Fire Flow in excess of 3,500 gpm are evaluated separately and assigned an individual PPC grade.

A community's investment in fire mitigation is a proven and reliable predictor of future fire losses. Statistical data on insurance losses bears out the relationship between excellent fire protection – as measured by the PPC program – and low fire losses. So, insurance companies use PPC information for marketing, underwriting, and to help establish fair premiums for homeowners and commercial fire insurance. In general, the price of fire insurance in a community with a good PPC grade is substantially lower than in a community with a poor PPC grade, assuming all other factors are equal.

ISO is an independent company that serves insurance companies, communities, fire departments, insurance regulators, and others by providing information about risk. ISO's expert staff collects information about municipal fire suppression efforts in communities throughout the United States. In each of those communities, ISO analyzes the relevant data and assigns a PPC grade – a number from 1 to 10. Class 1 represents an exemplary fire suppression program, and Class 10 indicates that the area's fire suppression program does not meet ISO's minimum criteria.

ISO's PPC program evaluates communities according to a uniform set of criteria, incorporating nationally recognized standards developed by the National Fire Protection Association and the American Water Works Association. A community's PPC grade depends on:

- **Needed Fire Flows**, which are representative building locations used to determine the theoretical amount of water necessary for fire suppression purposes.
- **Emergency Communications**, including emergency reporting, telecommunicators, and dispatching systems.
- **Fire Department**, including equipment, staffing, training, geographic distribution of fire companies, operational considerations, and community risk reduction.
- **Water Supply**, including inspection and flow testing of hydrants, alternative water supply operations, and a careful evaluation of the amount of available water compared with the amount needed to suppress fires up to 3,500 gpm.

Data Collection and Analysis

ISO has evaluated and classified over 39,000 fire protection areas across the United States using its FSRs. A combination of meetings between trained ISO field representatives and the dispatch center coordinator, community fire official, and water superintendent is used in conjunction with a comprehensive questionnaire to collect the data necessary to determine the PPC grade. In order for a community to obtain a grade better than a Class 9, three elements of fire suppression features are reviewed. These three elements are Emergency Communications, Fire Department, and Water Supply.

A review of the **Emergency Communications** accounts for 10% of the total classification. This section is weighted at **10 points**, as follows:

- Emergency Reporting 3 points
- Telecommunicators 4 points
- Dispatch Circuits 3 points

A review of the **Fire Department** accounts for 50% of the total classification. ISO focuses on a fire department's first alarm response and initial attack to minimize potential loss. The fire department section is weighted at **50 points**, as follows:

- Engine Companies 6 points
- Reserve Pumpers 0.5 points
- Pump Capacity 3 points
- Ladder/Service Companies 4 points
- Reserve Ladder/Service Trucks 0.5 points
- Deployment Analysis 10 points
- Company Personnel 15 points
- Training 9 points
- Operational considerations 2 points
- Community Risk Reduction 5.5 points (in addition to the 50 points above)

A review of the **Water Supply** system accounts for 40% of the total classification. ISO reviews the water supply a community uses to determine the adequacy for fire suppression purposes. The water supply system is weighted at **40 points**, as follows:

- Credit for Supply System 30 points
- Hydrant Size, Type & Installation 3 points
- Inspection & Flow Testing of Hydrants 7 points

There is one additional factor considered in calculating the final score – **Divergence**.

Even the best fire department will be less than fully effective if it has an inadequate water supply. Similarly, even a superior water supply will be less than fully effective if the fire department lacks the equipment or personnel to use the water. The FSRS score is subject to modification by a divergence factor, which recognizes disparity between the effectiveness of the fire department and the water supply.

The Divergence factor mathematically reduces the score based upon the relative difference between the fire department and water supply scores. The factor is introduced in the final equation.

PPC Grade

The PPC grade assigned to the community will depend on the community's score on a 100-point scale:

PPC	Points
1	90.00 or more
2	80.00 to 89.99
3	70.00 to 79.99
4	60.00 to 69.99
5	50.00 to 59.99
6	40.00 to 49.99
7	30.00 to 39.99
8	20.00 to 29.99
9	10.00 to 19.99
10	0.00 to 9.99

The classification numbers are interpreted as follows:

- Class 1 through (and including) Class 8 represents a fire suppression system that includes an FSRS creditable dispatch center, fire department, and water supply.
- Class 8B is a special classification that recognizes a superior level of fire protection in otherwise Class 9 areas. It is designed to represent a fire protection delivery system that is superior except for a lack of a water supply system capable of the minimum FSRS fire flow criteria of 250 gpm for 2 hours.
- Class 9 is a fire suppression system that includes a creditable dispatch center, fire department but no FSRS creditable water supply.
- Class 10 does not meet minimum FSRS criteria for recognition, including areas that are beyond five road miles of a recognized fire station.

New PPC program changes effective July 1, 2014

We have revised the PPC program to capture the effects of enhanced fire protection capabilities that reduce fire loss and fire severity in Split Class 9 and Split Class 8B areas (as outlined below). This new structure benefits the fire service, community, and property owner.

New classifications

Through ongoing research and loss experience analysis, we identified additional differentiation in fire loss experience within our PPC program, which resulted in the revised classifications. We based the differing fire loss experience on the fire suppression capabilities of each community. The new PPC classes will improve the predictive value for insurers while benefiting both commercial and residential property owners. Here are the new classifications and what they mean.

Split classifications

When we develop a split classification for a community — for example 5/9 — the first number is the class that applies to properties within 5 road miles of the responding fire station and 1,000 feet of a creditable water supply, such as a fire hydrant, suction point, or dry hydrant. The second number is the class that applies to properties within 5 road miles of a fire station but beyond 1,000 feet of a creditable water supply. We have revised the classification to reflect more precisely the risk of loss in a community, replacing Class 9 and 8B in the second part of a split classification with revised designations.

What's changed with the new classifications?

We've published the new classifications as "X" and "Y" — formerly the "9" and "8B" portion of the split classification, respectively. For example:

- A community currently displayed as a split 6/9 classification will now be a split 6/6X classification; with the "6X" denoting what was formerly classified as "9".
- Similarly, a community currently graded as a split 6/8B classification will now be a split 6/6Y classification, the "6Y" denoting what was formerly classified as "8B".
- Communities graded with single "9" or "8B" classifications will remain intact.

Prior Classification	New Classification
1/9	1/1X
2/9	2/2X
3/9	3/3X
4/9	4/4X
5/9	5/5X
6/9	6/6X
7/9	7/7X
8/9	8/8X
9	9

Prior Classification	New Classification
1/8B	1/1Y
2/8B	2/2Y
3/8B	3/3Y
4/8B	4/4Y
5/8B	5/5Y
6/8B	6/6Y
7/8B	7/7Y
8/8B	8/8Y
8B	8B

What's changed?

As you can see, we're still maintaining split classes, but it's how we represent them to insurers that's changed. The new designations reflect a reduction in fire severity and loss and have the potential to reduce property insurance premiums.

Benefits of the revised split class designations

- To the fire service, the revised designations identify enhanced fire suppression capabilities used throughout the fire protection area
- To the community, the new classes reward a community's fire suppression efforts by showing a more reflective designation
- To the individual property owner, the revisions offer the potential for decreased property insurance premiums

New water class

Our data also shows that risks located more than 5 but less than 7 road miles from a responding fire station with a creditable water source within 1,000 feet had better loss experience than those farther than 5 road miles from a responding fire station with no creditable water source. We've introduced a new classification —10W— to recognize the reduced loss potential of such properties.

What's changed with Class 10W?

Class 10W is property-specific. Not all properties in the 5-to-7-mile area around the responding fire station will qualify. The difference between Class 10 and 10W is that the 10W-graded risk or property is within 1,000 feet of a creditable water supply. Creditable water supplies include fire protection systems using hauled water in any of the split classification areas.

What's the benefit of Class 10W?

10W gives credit to risks within 5 to 7 road miles of the responding fire station and within 1,000 feet of a creditable water supply. That's reflective of the potential for reduced property insurance premiums.

What does the fire chief have to do?

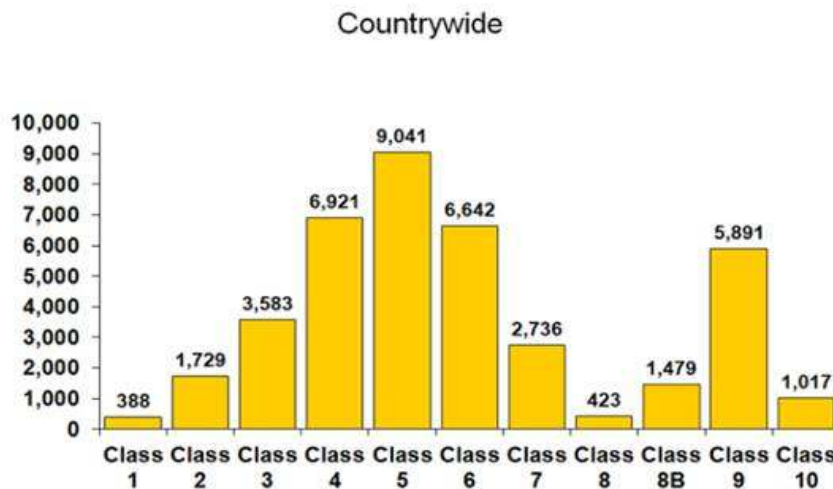
Fire chiefs don't have to do anything at all. The revised classifications went in place automatically effective July 1, 2014 (July 1, 2015 for Texas).

What if I have additional questions?

Feel free to contact ISO at 800.444.4554 or email us at PPC-Cust-Serv@iso.com.

Distribution of PPC Grades

The 2020 published countrywide distribution of communities by the PPC grade is as follows:



Assistance

The PPC program offers help to communities, fire departments, and other public officials as they plan for, budget, and justify improvements. ISO is also available to assist in the understanding of the details of this evaluation.

The PPC program representatives can be reached by telephone at (800) 444-4554. The technical specialists at this telephone number have access to the details of this evaluation and can effectively speak with you about your questions regarding the PPC program. What's more, we can be reached via the internet at www.isomitigation.com/talk/.

We also have a website dedicated to our Community Hazard Mitigation Classification programs at www.isomitigation.com. Here, fire chiefs, building code officials, community leaders and other interested citizens can access a wealth of data describing the criteria used in evaluating how cities and towns are protecting residents from fire and other natural hazards. This website will allow you to learn more about the PPC program. The website provides important background information, insights about the PPC grading processes and technical documents. ISO is also pleased to offer Fire Chiefs Online — a special, secured website with information and features that can help improve your PPC grade, including a list of the Needed Fire Flows for all the commercial occupancies ISO has on file for your community. Visitors to the site can download information, see statistical results and also contact ISO for assistance.

In addition, on-line access to the FSRs and its commentaries is available to registered customers for a fee. However, fire chiefs and community chief administrative officials are given access privileges to this information without charge.

To become a registered fire chief or community chief administrative official, register at www.isomitigation.com.

PPC Review

ISO concluded its review of the fire suppression features being provided for Scotts Valley FPSA. The resulting community classification is **Class 02/10**.

If the classification is a single class, the classification applies to properties with a Needed Fire Flow of 3,500 gpm or less in the community. If the classification is a split class (e.g., 6/XX):

- The first class (e.g., "6" in a 6/XX) applies to properties within 5 road miles of a recognized fire station and within 1,000 feet of a fire hydrant or alternate water supply.
- The second class (XX or XY) applies to properties beyond 1,000 feet of a fire hydrant but within 5 road miles of a recognized fire station.
- Alternative Water Supply: The first class (e.g., "6" in a 6/10) applies to properties within 5 road miles of a recognized fire station with no hydrant distance requirement.
- Class 10 applies to properties over 5 road miles of a recognized fire station.
- Class 10W applies to properties within 5 to 7 road miles of a recognized fire station with a recognized water supply within 1,000 feet.
- Specific properties with a Needed Fire Flow in excess of 3,500 gpm are evaluated separately and assigned an individual classification.

FSRS Feature	Earned Credit	Credit Available
Emergency Communications		
414. Credit for Emergency Reporting	2.85	3
422. Credit for Telecommunicators	3.08	4
432. Credit for Dispatch Circuits	3.00	3
440. Credit for Emergency Communications	8.93	10
Fire Department		
513. Credit for Engine Companies	5.93	6
523. Credit for Reserve Pumpers	0.50	0.50
532. Credit for Pump Capacity	3.00	3
549. Credit for Ladder Service	3.83	4
553. Credit for Reserve Ladder and Service Trucks	0.00	0.50
561. Credit for Deployment Analysis	2.45	10
571. Credit for Company Personnel	11.67	15
581. Credit for Training	8.84	9
730. Credit for Operational Considerations	2.00	2
590. Credit for Fire Department	38.22	50
Water Supply		
616. Credit for Supply System	26.99	30
621. Credit for Hydrants	2.41	3
631. Credit for Inspection and Flow Testing	5.58	7
640. Credit for Water Supply	34.98	40
Divergence	-2.20	--
1050. Community Risk Reduction	3.96	5.50
Total Credit	83.89	105.50

Emergency Communications

Ten percent of a community's overall score is based on how well the communications center receives and dispatches fire alarms. Our field representative evaluated:

- Communications facilities provided for the general public to report structure fires
- Enhanced 9-1-1 Telephone Service including wireless
- Computer-aided dispatch (CAD) facilities
- Alarm receipt and processing at the communication center
- Training and certification of telecommunicators
- Facilities used to dispatch fire department companies to reported structure fires

	Earned Credit	Credit Available
414. Credit Emergency Reporting	2.85	3
422. Credit for Telecommunicators	3.08	4
432. Credit for Dispatch Circuits	3.00	3
Item 440. Credit for Emergency Communications:	8.93	10

Item 414 - Credit for Emergency Reporting (3 points)

The first item reviewed is Item 414 "Credit for Emergency Reporting (CER)". This item reviews the emergency communication center facilities provided for the public to report fires including 911 systems (Basic or Enhanced), Wireless Phase I and Phase II, Voice over Internet Protocol, Computer Aided Dispatch and Geographic Information Systems for automatic vehicle location. ISO uses National Fire Protection Association (NFPA) 1221, *Standard for the Installation, Maintenance and Use of Emergency Services Communications Systems* as the reference for this section.

Item 410. Emergency Reporting (CER)	Earned Credit	Credit Available
A./B. Basic 9-1-1, Enhanced 9-1-1 or No 9-1-1 For maximum credit, there should be an Enhanced 9-1-1 system, Basic 9-1-1 and No 9-1-1 will receive partial credit.	20.00	20
1. E9-1-1 Wireless Wireless Phase I using Static ALI (automatic location identification) Functionality (10 points); Wireless Phase II using Dynamic ALI Functionality (15 points); Both available will be 25 points	25.00	25
2. E9-1-1 Voice over Internet Protocol (VoIP) Static VoIP using Static ALI Functionality (10 points); Nomadic VoIP using Dynamic ALI Functionality (15 points); Both available will be 25 points	25.00	25
3. Computer Aided Dispatch Basic CAD (5 points); CAD with Management Information System (5 points); CAD with Interoperability (5 points)	10.00	15
4. Geographic Information System (GIS/AVL) <u>The PSAP uses</u> a fully integrated CAD/GIS management system with automatic vehicle location (AVL) integrated with a CAD system providing dispatch assignments. The individual fire departments being dispatched <u>do not</u> need GIS/AVL capability to obtain this credit.	15.00	15
Review of Emergency Reporting total:	95.00	100

Item 422- Credit for Telecommunicators (4 points)

The second item reviewed is Item 422 “Credit for Telecommunicators (TC)”. This item reviews the number of Telecommunicators on duty at the center to handle fire calls and other emergencies. All emergency calls including those calls that do not require fire department action are reviewed to determine the proper staffing to answer emergency calls and dispatch the appropriate emergency response. The 2013 Edition of NFPA 1221, *Standard for the Installation, Maintenance and Use of Emergency Services Communications Systems*, recommends that ninety-five percent of emergency calls shall be answered within 15 seconds and ninety-nine percent of emergency calls shall be answered within 40 seconds. In addition, NFPA recommends that eighty percent of emergency alarm processing shall be completed within 60 seconds and ninety-five percent of alarm processing shall be completed within 106 seconds of answering the call.

To receive full credit for operators on duty, ISO must review documentation to show that the communication center meets NFPA 1221 call answering and dispatch time performance measurement standards. This documentation may be in the form of performance statistics or other performance measurements compiled by the 9-1-1 software or other software programs that are currently in use such as Computer Aided Dispatch (CAD) or Management Information System (MIS).

Item 420. Telecommunicators (CTC)	Earned Credit	Credit Available
A1. Alarm Receipt (AR) Receipt of alarms shall meet the requirements in accordance with the criteria of NFPA 1221	19.26	20
A2. Alarm Processing (AP) Processing of alarms shall meet the requirements in accordance with the criteria of NFPA 1221	17.68	20
B. Emergency Dispatch Protocols (EDP) Telecommunicators have emergency dispatch protocols (EDP) containing questions and a decision-support process to facilitate correct call categorization and prioritization.	0.00	20
C. Telecommunicator Training and Certification (TTC) Telecommunicators meet the qualification requirements referenced in NFPA 1061, <i>Standard for Professional Qualifications for Public Safety Telecommunicator</i> , and/or the Association of Public-Safety Communications Officials - International (APCO) <i>Project 33</i> . Telecommunicators are certified in the knowledge, skills, and abilities corresponding to their job functions.	20.00	20
D. Telecommunicator Continuing Education and Quality Assurance (TQA) Telecommunicators participate in continuing education and/or in-service training and quality-assurance programs as appropriate for their positions	20.00	20
Review of Telecommunicators total:	76.94	100

Item 432 - Credit for Dispatch Circuits (3 points)

The third item reviewed is Item 432 “Credit for Dispatch Circuits (CDC)”. This item reviews the dispatch circuit facilities used to transmit alarms to fire department members. A “Dispatch Circuit” is defined in NFPA 1221 as “A circuit over which an alarm is transmitted from the communications center to an emergency response facility (ERF) or emergency response units (ERUs) to notify ERUs to respond to an emergency”. All fire departments (except single fire station departments with full-time firefighter personnel receiving alarms directly at the fire station) need adequate means of notifying all firefighter personnel of the location of reported structure fires. The dispatch circuit facilities should be in accordance with the general criteria of NFPA 1221. “Alarms” are defined in this Standard as “A signal or message from a person or device indicating the existence of an emergency or other situation that requires action by an emergency response agency”.

There are two different levels of dispatch circuit facilities provided for in the Standard – a primary dispatch circuit and a secondary dispatch circuit. In jurisdictions that receive 730 alarms or more per year (average of two alarms per 24-hour period), two separate and dedicated dispatch circuits, a primary and a secondary, are needed. In jurisdictions receiving fewer than 730 alarms per year, a second dedicated dispatch circuit is not needed. Dispatch circuit facilities installed but not used or tested (in accordance with the NFPA Standard) receive no credit.

The score for Credit for Dispatch Circuits (CDC) is influenced by monitoring for integrity of the primary dispatch circuit. There are up to 0.90 points available for this Item. Monitoring for integrity involves installing automatic systems that will detect faults and failures and send visual and audible indications to appropriate communications center (or dispatch center) personnel. ISO uses NFPA 1221 to guide the evaluation of this item. ISO's evaluation also includes a review of the communication system's emergency power supplies.

Item 432 “Credit for Dispatch Circuits (CDC)” = 3.00 points

Fire Department

Fifty percent of a community's overall score is based upon the fire department's structure fire suppression system. ISO's field representative evaluated:

- Engine and ladder/service vehicles including reserve apparatus
- Equipment carried
- Response to reported structure fires
- Deployment analysis of companies
- Available and/or responding firefighters
- Training

	Earned Credit	Credit Available
513. Credit for Engine Companies	5.93	6
523. Credit for Reserve Pumpers	0.50	0.5
532. Credit for Pumper Capacity	3.00	3
549. Credit for Ladder Service	3.83	4
553. Credit for Reserve Ladder and Service Trucks	0.00	0.5
561. Credit for Deployment Analysis	2.45	10
571. Credit for Company Personnel	11.67	15
581. Credit for Training	8.84	9
730. Credit for Operational Considerations	2.00	2
Item 590. Credit for Fire Department:	38.22	50

Basic Fire Flow

The Basic Fire Flow for the community is determined by the review of the Needed Fire Flows for selected buildings in the community. The fifth largest Needed Fire Flow is determined to be the Basic Fire Flow. The Basic Fire Flow has been determined to be 3500 gpm.

Item 513 - Credit for Engine Companies (6 points)

The first item reviewed is Item 513 "Credit for Engine Companies (CEC)". This item reviews the number of engine companies, their pump capacity, hose testing, pump testing and the equipment carried on the in-service pumpers. To be recognized, pumper apparatus must meet the general criteria of NFPA 1901, *Standard for Automotive Fire Apparatus* which include a minimum 250 gpm pump, an emergency warning system, a 300 gallon water tank, and hose. At least 1 apparatus must have a permanently mounted pump rated at 750 gpm or more at 150 psi.

The review of the number of needed pumpers considers the response distance to built-upon areas; the Basic Fire Flow; and the method of operation. Multiple alarms, simultaneous incidents, and life safety are not considered.

The greatest value of A, B, or C below is needed in the fire district to suppress fires in structures with a Needed Fire Flow of 3,500 gpm or less: **3 engine companies**

- a) **2 engine companies** to provide fire suppression services to areas to meet NFPA 1710 criteria or within 1½ miles.
- b) **3 engine companies** to support a Basic Fire Flow of 3500 gpm.
- c) **2 engine companies** based upon the fire department's method of operation to provide a minimum two engine response to all first alarm structure fires.

The FSRS recognizes that there are **3 engine companies** in service.

The FSRS also reviews Automatic Aid. Automatic Aid is considered in the review as assistance dispatched automatically by contractual agreement between two communities or fire districts. That differs from mutual aid or assistance arranged case by case. ISO will recognize an Automatic Aid plan under the following conditions:

- It must be prearranged for first alarm response according to a definite plan. It is preferable to have a written agreement, but ISO may recognize demonstrated performance.
- The aid must be dispatched to all reported structure fires on the initial alarm.
- The aid must be provided 24 hours a day, 365 days a year.

FSRS Item 512.D "Automatic Aid Engine Companies" responding on first alarm and meeting the needs of the city for basic fire flow and/or distribution of companies are factored based upon the value of the Automatic Aid plan (up to 1.00 can be used as the factor). The Automatic Aid factor is determined by a review of the Automatic Aid provider's communication facilities, how they receive alarms from the graded area, inter-department training between fire departments, and the fire ground communications capability between departments.

For each engine company, the credited Pump Capacity (PC), the Hose Carried (HC), the Equipment Carried (EC) all contribute to the calculation for the percent of credit the FSRS provides to that engine company.

Item 513 "Credit for Engine Companies (CEC)" = 5.93 points

Item 523 - Credit for Reserve Pumpers (0.50 points)

The item is Item 523 “Credit for Reserve Pumpers (CRP)”. This item reviews the number and adequacy of the pumpers and their equipment. The number of needed reserve pumpers is 1 for each 8 needed engine companies determined in Item 513, or any fraction thereof.

Item 523 “Credit for Reserve Pumpers (CRP)” = 0.50 points

Item 532 – Credit for Pumper Capacity (3 points)

The next item reviewed is Item 532 “Credit for Pumper Capacity (CPC)”. The total pump capacity available should be sufficient for the Basic Fire Flow of 3500 gpm. The maximum needed pump capacity credited is the Basic Fire Flow of the community.

Item 532 “Credit for Pumper Capacity (CPC)” = 3.00 points

Item 549 – Credit for Ladder Service (4 points)

The next item reviewed is Item 549 “Credit for Ladder Service (CLS)”. This item reviews the number of response areas within the city with 5 buildings that are 3 or more stories or 35 feet or more in height, or with 5 buildings that have a Needed Fire Flow greater than 3,500 gpm, or any combination of these criteria. The height of all buildings in the city, including those protected by automatic sprinklers, is considered when determining the number of needed ladder companies. Response areas not needing a ladder company should have a service company. Ladders, tools and equipment normally carried on ladder trucks are needed not only for ladder operations but also for forcible entry, ventilation, salvage, overhaul, lighting and utility control.

The number of ladder or service companies, the height of the aerial ladder, aerial ladder testing and the equipment carried on the in-service ladder trucks and service trucks is compared with the number of needed ladder trucks and service trucks and an FSRS equipment list. Ladder trucks must meet the general criteria of NFPA 1901, *Standard for Automotive Fire Apparatus* to be recognized.

The number of needed ladder-service trucks is dependent upon the number of buildings 3 stories or 35 feet or more in height, buildings with a Needed Fire Flow greater than 3,500 gpm, and the method of operation.

The FSRS recognizes that there are **1 ladder companies** in service. These companies are needed to provide fire suppression services to areas to meet NFPA 1710 criteria or within 2½ miles and the number of buildings with a Needed Fire Flow over 3,500 gpm or 3 stories or more in height, or the method of operation.

The FSRS recognizes that there are **0 service companies** in service.

Item 549 “Credit for Ladder Service (CLS)” = 3.83 points

Item 553 – Credit for Reserve Ladder and Service Trucks (0.50 points)

The next item reviewed is Item 553 “Credit for Reserve Ladder and Service Trucks (CRLS)”. This item considers the adequacy of ladder and service apparatus when one (or more in larger communities) of these apparatus are out of service. The number of needed reserve ladder and service trucks is 1 for each 8 needed ladder and service companies that were determined to be needed in Item 540, or any fraction thereof.

Item 553 “Credit for Reserve Ladder and Service Trucks (CRLS)” = 0.00 points

Item 561 – Deployment Analysis (10 points)

Next, Item 561 “Deployment Analysis (DA)” is reviewed. This Item examines the number and adequacy of existing engine and ladder-service companies to cover built-upon areas of the city.

To determine the Credit for Distribution, first the Existing Engine Company (EC) points and the Existing Engine Companies (EE) determined in Item 513 are considered along with Ladder Company Equipment (LCE) points, Service Company Equipment (SCE) points, Engine-Ladder Company Equipment (ELCE) points, and Engine-Service Company Equipment (ESCE) points determined in Item 549.

Secondly, as an alternative to determining the number of needed engine and ladder/service companies through the road-mile analysis, a fire protection area may use the results of a systematic performance evaluation. This type of evaluation analyzes computer-aided dispatch (CAD) history to demonstrate that, with its current deployment of companies, the fire department meets the time constraints for initial arriving engine and initial full alarm assignment in accordance with the general criteria of in NFPA 1710, *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments*.

A determination is made of the percentage of built upon area within 1½ miles of a first-due engine company and within 2½ miles of a first-due ladder-service company.

Item 561 “Credit Deployment Analysis (DA)” = 2.45 points

Item 571 – Credit for Company Personnel (15 points)

Item 571 “Credit for Company Personnel (CCP)” reviews the average number of existing firefighters and company officers available to respond to reported first alarm structure fires in the city.

The on-duty strength is determined by the yearly average of total firefighters and company officers on-duty considering vacations, sick leave, holidays, “Kelley” days and other absences. When a fire department operates under a minimum staffing policy, this may be used in lieu of determining the yearly average of on-duty company personnel.

Firefighters on apparatus not credited under Items 513 and 549 that regularly respond to reported first alarms to aid engine, ladder, and service companies are included in this item as increasing the total company strength.

Firefighters staffing ambulances or other units serving the general public are credited if they participate in fire-fighting operations, the number depending upon the extent to which they are available and are used for response to first alarms of fire.

On-Call members are credited on the basis of the average number staffing apparatus on first alarms. Off-shift career firefighters and company officers responding on first alarms are considered on the same basis as on-call personnel. For personnel not normally at the fire station, the number of responding firefighters and company officers is divided by 3 to reflect the time needed to assemble at the fire scene and the reduced ability to act as a team due to the various arrival times at the fire location when compared to the personnel on-duty at the fire station during the receipt of an alarm.

The number of Public Safety Officers who are positioned in emergency vehicles within the jurisdiction boundaries may be credited based on availability to respond to first alarm structure fires. In recognition of this increased response capability the number of responding Public Safety Officers is divided by 2.

The average number of firefighters and company officers responding with those companies credited as Automatic Aid under Items 513 and 549 are considered for either on-duty or on-call company personnel as is appropriate. The actual number is calculated as the average number of company personnel responding multiplied by the value of AA Plan determined in Item 512.D.

The maximum creditable response of on-duty and on-call firefighters is 12, including company officers, for each existing engine and ladder company and 6 for each existing service company.

Chief Officers are not creditable except when more than one chief officer responds to alarms; then extra chief officers may be credited as firefighters if they perform company duties.

The FSRs recognizes **8.00 on-duty personnel** and an average of **2.00 on-call personnel** responding on first alarm structure fires.

Item 571 “Credit for Company Personnel (CCP)” = 11.67 points

Item 581 – Credit for Training (9 points)

Training	Earned Credit	Credit Available
A. Facilities, and Use For maximum credit, each firefighter should receive 18 hours per year in structure fire related subjects as outlined in NFPA 1001.	35.00	35
B. Company Training For maximum credit, each firefighter should receive 16 hours per month in structure fire related subjects as outlined in NFPA 1001.	25.00	25
C. Classes for Officers For maximum credit, each officer should be certified in accordance with the general criteria of NFPA 1021. Additionally, each officer should receive 12 hours of continuing education on or off site.	12.00	12
D. New Driver and Operator Training For maximum credit, each new driver and operator should receive 60 hours of driver/operator training per year in accordance with NFPA 1002 and NFPA 1451.	5.00	5
E. Existing Driver and Operator Training For maximum credit, each existing driver and operator should receive 12 hours of driver/operator training per year in accordance with NFPA 1002 and NFPA 1451.	5.00	5
F. Training on Hazardous Materials For maximum credit, each firefighter should receive 6 hours of training for incidents involving hazardous materials in accordance with NFPA 472.	1.00	1
G. Recruit Training For maximum credit, each firefighter should receive 240 hours of structure fire related training in accordance with NFPA 1001 within the first year of employment or tenure.	5.00	5
H. Pre-Fire Planning Inspections For maximum credit, pre-fire planning inspections of each commercial, industrial, institutional, and other similar type building (all buildings except 1-4 family dwellings) should be made annually by company members. Records of inspections should include up-to date notes and sketches.	10.20	12

Item 580 “Credit for Training (CT)” = 8.84 points

Item 730 – Operational Considerations (2 points)

Item 730 “Credit for Operational Considerations (COC)” evaluates fire department standard operating procedures and incident management systems for emergency operations involving structure fires.

Operational Considerations	Earned Credit	Credit Available
Standard Operating Procedures The department should have established SOPs for fire department general emergency operations	50	50
Incident Management Systems The department should use an established incident management system (IMS)	50	50
Operational Considerations total:	100	100

Item 730 “Credit for Operational Considerations (COC)” = 2.00 points

Water Supply

Forty percent of a community's overall score is based on the adequacy of the water supply system. The ISO field representative evaluated:

- the capability of the water distribution system to meet the Needed Fire Flows at selected locations up to 3,500 gpm.
- size, type and installation of fire hydrants.
- inspection and flow testing of fire hydrants.

	Earned Credit	Credit Available
616. Credit for Supply System	26.99	30
621. Credit for Hydrants	2.41	3
631. Credit for Inspection and Flow Testing	5.58	7
Item 640. Credit for Water Supply:	34.98	40

Item 616 – Credit for Supply System (30 points)

The first item reviewed is Item 616 “Credit for Supply System (CSS)”. This item reviews the rate of flow that can be credited at each of the Needed Fire Flow test locations considering the supply works capacity, the main capacity and the hydrant distribution. The lowest flow rate of these items is credited for each representative location. A water system capable of delivering 250 gpm or more for a period of two hours plus consumption at the maximum daily rate at the fire location is considered minimum in the ISO review.

Where there are 2 or more systems or services distributing water at the same location, credit is given on the basis of the joint protection provided by all systems and services available.

The supply works capacity is calculated for each representative Needed Fire Flow test location, considering a variety of water supply sources. These include public water supplies, emergency supplies (usually accessed from neighboring water systems), suction supplies (usually evidenced by dry hydrant installations near a river, lake or other body of water), and supplies developed by a fire department using large diameter hose or vehicles to shuttle water from a source of supply to a fire site. The result is expressed in gallons per minute (gpm).

The normal ability of the distribution system to deliver Needed Fire Flows at the selected building locations is reviewed. The results of a flow test at a representative test location will indicate the ability of the water mains (or fire department in the case of fire department supplies) to carry water to that location.

The hydrant distribution is reviewed within 1,000 feet of representative test locations measured as hose can be laid by apparatus.

For maximum credit, the Needed Fire Flows should be available at each location in the district. Needed Fire Flows of 2,500 gpm or less should be available for 2 hours; and Needed Fire Flows of 3,000 and 3,500 gpm should be obtainable for 3 hours.

Item 616 “Credit for Supply System (CSS)” = 26.99 points

Item 621 – Credit for Hydrants (3 points)

The second item reviewed is Item 621 “Credit for Hydrants (CH)”. This item reviews the number of fire hydrants of each type compared with the total number of hydrants.

There are a total of 747 hydrants in the graded area.

620. Hydrants, - Size, Type and Installation	Number of Hydrants
A. With a 6 -inch or larger branch and a pumper outlet with or without 2½ -inch outlets	370
B. With a 6 -inch or larger branch and no pumper outlet but two or more 2½ -inch outlets, or with a small foot valve, or with a small barrel	273
C./D. With only a 2½ -inch outlet or with less than a 6 -inch branch	104
E./F. Flush Type, Cistern, or Suction Point	0

Item 621 “Credit for Hydrants (CH)” = 2.41 points

Item 630 – Credit for Inspection and Flow Testing (7 points)

The third item reviewed is Item 630 “Credit for Inspection and Flow Testing (CIT)”. This item reviews the fire hydrant inspection frequency, and the completeness of the inspections. Inspection of hydrants should be in accordance with AWWA M-17, *Installation, Field Testing and Maintenance of Fire Hydrants*.

Frequency of Inspection (FI): Average interval between the 3 most recent inspections.

Frequency	Points
1 year	30
2 years	20
3 years	10
4 years	5
5 years or more	No Credit

Note: The points for inspection frequency are reduced by 10 points if the inspections are incomplete or do not include a flushing program. An additional reduction of 10 points are made if hydrants are not subjected to full system pressure during inspections. If the inspection of cisterns or suction points does not include actual drafting with a pumper, or back-flushing for dry hydrants, 20 points are deducted.

Total points for Inspections = 3.31 points

Frequency of Fire Flow Testing (FF): Average interval between the 3 most recent inspections.

Frequency	Points
5 years	40
6 years	30
7 years	20
8 years	10
9 years	5
10 years or more	No Credit

Total points for Fire Flow Testing = 2.27 points

Item 631 “Credit for Inspection and Fire Flow Testing (CIT)” = 5.58 points

Divergence = -2.20

The Divergence factor mathematically reduces the score based upon the relative difference between the fire department and water supply scores. The factor is introduced in the final equation.

Community Risk Reduction

	Earned Credit	Credit Available
1025. Credit for Fire Prevention and Code Enforcement (CPCE)	1.78	2.2
1033. Credit for Public Fire Safety Education (CFSE)	1.21	2.2
1044. Credit for Fire Investigation Programs (CIP)	0.97	1.1
Item 1050. Credit for Community Risk Reduction	3.96	5.50

Item 1025 – Credit for Fire Prevention Code Adoption and Enforcement (2.2 points)	Earned Credit	Credit Available
Fire Prevention Code Regulations (PCR) Evaluation of fire prevention code regulations in effect.	10.00	10
Fire Prevention Staffing (PS) Evaluation of staffing for fire prevention activities.	0.43	8
Fire Prevention Certification and Training (PCT) Evaluation of the certification and training of fire prevention code enforcement personnel.	6.00	6
Fire Prevention Programs (PCP) Evaluation of fire prevention programs.	16.00	16
Review of Fire Prevention Code and Enforcement (CPCE) subtotal:	32.43	40

Item 1033 – Credit for Public Fire Safety Education (2.2 points)	Earned Credit	Credit Available
Public Fire Safety Educators Qualifications and Training (FSQT) Evaluation of public fire safety education personnel training and qualification as specified by the authority having jurisdiction.	0.00	10
Public Fire Safety Education Programs (FSP) Evaluation of programs for public fire safety education.	22.00	30
Review of Public Safety Education Programs (CFSE) subtotal:	22.00	40

Item 1044 – Credit for Fire Investigation Programs (1.1 points)	Earned Credit	Credit Available
Fire Investigation Organization and Staffing (IOS) Evaluation of organization and staffing for fire investigations.	8.00	8
Fire Investigator Certification and Training (IQT) Evaluation of fire investigator certification and training.	3.60	6
Use of National Fire Incident Reporting System (IRS) Evaluation of the use of the National Fire Incident Reporting System (NFIRS) for the 3 years before the evaluation.	6.00	6
Review of Fire Investigation Programs (CIP) subtotal:	17.60	20

Summary of PPC Review**for****Scotts Valley FPSA**

FSRS Item	Earned Credit	Credit Available
Emergency Communications		
414. Credit for Emergency Reporting	2.85	3
422. Credit for Telecommunicators	3.08	4
432. Credit for Dispatch Circuits	3.00	3
440. Credit for Emergency Communications	8.93	10
Fire Department		
513. Credit for Engine Companies	5.93	6
523. Credit for Reserve Pumpers	0.50	0.5
532. Credit for Pumper Capacity	3.00	3
549. Credit for Ladder Service	3.83	4
553. Credit for Reserve Ladder and Service Trucks	0.00	0.5
561. Credit for Deployment Analysis	2.45	10
571. Credit for Company Personnel	11.67	15
581. Credit for Training	8.84	9
730. Credit for Operational Considerations	2.00	2
590. Credit for Fire Department	38.22	50
Water Supply		
616. Credit for Supply System	26.99	30
621. Credit for Hydrants	2.41	3
631. Credit for Inspection and Flow Testing	5.58	7
640. Credit for Water Supply	34.98	40
Divergence	-2.20	--
1050. Community Risk Reduction	3.96	5.50
Total Credit	83.89	105.5

Final Community Classification = 02/10



SCOTTS VALLEY FIRE PROTECTION DISTRICT

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

Date: June 14, 2023
To: Board of Directors
From: Chief Whittle
Subject: May Administrative Report

Administration

- Attended the AFSS Conference in San Diego from 5/2-5/5/2023
- Attended CalPERS Webinar to review the annual CERBT reporting requirements
- Attended CalPERS webinars to review the PEPRA Rate increases for July 1, 2023 and CalPERS Payroll Reporting
- Attended the County FY End Teams Meeting
- Attended Miss Excel AI Training
- Admin Specialist Bridges inspected 3 car seats in May

Operations

May 5th - Blue and Gold dinner / 2022 Firefighter of the year. Congratulations to the Firefighter of the year Captain Andy Sundermier. Thank you to the Exchange Club Scotts Valley Chapter for hosting the event.

Several SVFD members attended the memorial at Twin Lakes Church in Aptos for Santa Cruz City Fire Captain Brian Tracy, who Passed away from cancer. His cancer was considered a LODD. This is the third firefighter from Santa Cruz to die from a brain tumor / cancer.

Kevin Laine with help from Chuck Wise, secured 50 free Motorola APX7000xe portable radios from San Jose City Fire Surplus. These radios will be a big help with the aging equipment currently in use. Should the radio grant fall through they will help bridge the gap until funding is allocated for new equipment. Thank you to San Jose City Fire Captain and Boulder Creek Battalion Chief Chuck Wise.

The SCHMIT trailer was moved to station two so Captain Roshan Todd and the other SCHMIT team members assigned there could surplus old out-of-service equipment and prep the trailer for mass decontamination response.

Station repairs: Terre Rothweiler repaired / replaced the fence and railings along the block wall by the BC's office and the apparatus bays at station one. Chris Stubendorff and Jeff McNeil replaced the admin office men's bathroom exhaust fan and made repairs to the sheet rock. Crews Planted a vegetable garden and rebuilt the picnic table at station one.

Crews disassembled the old roof prop at station one to prepare for delivery of the two shipping containers for the new training prop in the upper parking lot.

The SUV U2590 has been permanently moved to the Glenwood station to help aid crews in response to difficult access road. Over the winter it had proved to be very useful for crews to have the option to bring the utility with them to cross weight restricted bridges, washed out narrow mountain roads and roads that had low hanging

Board of Directors

Joe Parker Russ Patterson Daron Pisciotta Kris Hurst Adam Cosner

wires and partially fallen trees. Thank you to the station two Captains for thinking outside the box and coming up with the idea and plan to use the utility.

May 13th - Crews helped the Rotary Club with the Car Seat Drop Off. The Rotary Club was collecting car seats to donate to underserved and underprivileged families. Thank you to Patrizia Materassi Co-President of the Rotary Club Scotts Valley Chapter.

May 30th - SVMS graduation "Spray Down". Crews used the deck gun fog nozzle to spray the graduating class.
May 31st - Vine Hill elementary 5th grade "Spray Down". Crews used the deck gun fog nozzle to spray the graduating class.

Training

EMSIA / EMS coordinator Scott Vahradian assigned Target Solutions based training on EMS Medical Legal Review.

The Fire Academy has concluded and the graduation ceremony was May 10, 2023. SVFD had three cadets attend and graduate. All have been promoted to PCF (Paid Call Firefighters) and will be on a 6-month probationary period. Please Welcome PCF's Gabe Kailani, Christian Pacheco and Matt Springer to the ranks. Current PCF count is 10.

Jared Vandiver and Matt Smith attended S-212 wild land fire chain saw class in Carmel / Pebel Beach area. The class was hosted and taught by Cal Fire. There were only 4 students in the class so Jared and Matt were able to get several reps bucking, brushing and falling trees.

Crews have begun the 2023 wild land fire refresher training / RT130. Thank you to Sandy Woodruff, owner of the Valley Gardens Golf Course for allowing SVFD to train on here property.

Crews trained at the build site located on 4104 Scotts Valley Drive between Thomas Terrace and Quein Sabe Rd. Crews used the construction site to practice fire suppression and rescue techniques on a center hallway multi-residency / occupancy structure. Thank you to the owners of the site Chris and Peggy Perry for allowing SVFD to train on their property. Thank you to Travis Crivello for coming up with a plan and getting permission to use the site.

Congratulations to Firefighter Patrick Shaughnessy on successfully passing probation. Thank you to the crews for helping train and mentor him through the process. Congratulations on a job well done.

EMS

The current county online narcotic tracking system was upgraded to be application based rather than just on a website. So far there has been no issues with the transition.

There is currently a national shortage of Albuterol. A new medication called Xopenex has been rolled out; saving albuterol for pediatric patients 6 and younger. This new medication is very similar to Albuterol with less side effects.

SVFD Paramedics have been on top of all ePCR documentation this year. Every chart has been completed and done so in a timely manner.

Board of Directors
Joe Parker Russ Patterson Daron Pisciotta Kris Hurst Adam Cosner

Prevention

DFM Collins completed 21 annual initial inspections, 90 annual re-inspections, 11 construction inspections and 4 complaint follow ups.

The following plans were reviewed in house: 3 fire alarm systems, 2 fire sprinkler systems, 1 tenant improvement and 1 residential remodel.

She met on-site with several Redwood Drive residents to assist with their Fire Wise process. She also met with the property owners of the Aviza buildings to discuss defensible space.

The Santa Cruz County Fire Prevention Officers met and will begin working on the Emergency Responder Communication Coverage Standard, Fire Watch Standard and Speed Bump Standard.

DFM Collins completed the first rough draft of the Emergency Responder Communication Coverage Standard.

The new Santa Cruz County Building Official is Jay Bradford. DFM Collins invited him to attend the July FPO meeting.

Scotts Valley Fire Protection District

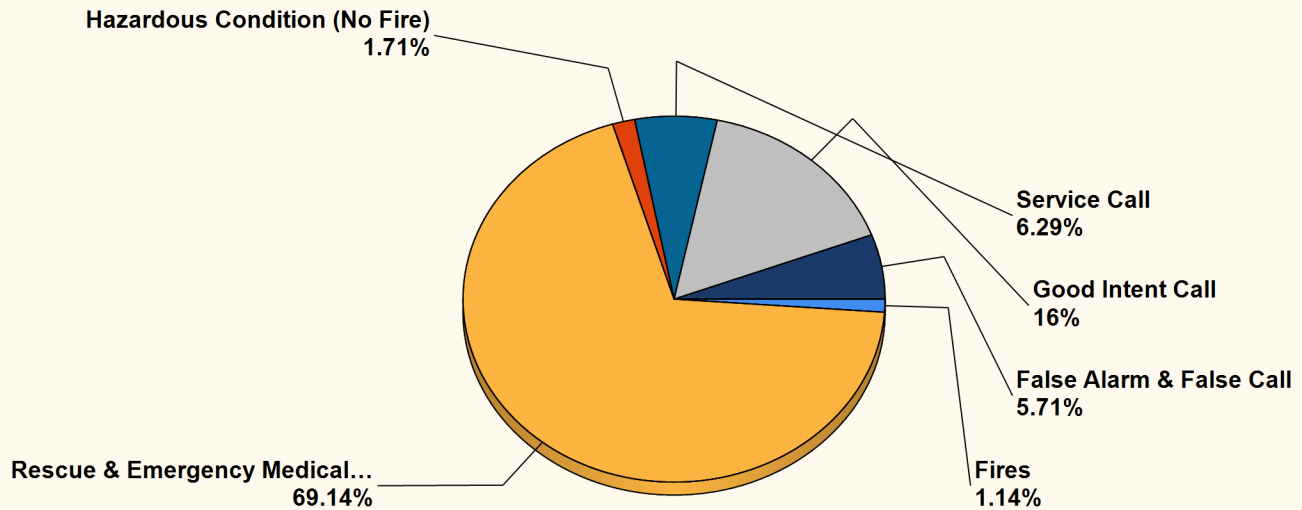
Scotts Valley, CA

This report was generated on 6/5/2023 7:58:44 AM



Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 05/01/2023 | End Date: 05/31/2023



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	2	1.14%
Rescue & Emergency Medical Service	121	69.14%
Hazardous Condition (No Fire)	3	1.71%
Service Call	11	6.29%
Good Intent Call	28	16%
False Alarm & False Call	10	5.71%
TOTAL	175	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Detailed Breakdown by Incident Type

INCIDENT TYPE	# INCIDENTS	% of TOTAL
131 - Passenger vehicle fire	1	0.57%
151 - Outside rubbish, trash or waste fire	1	0.57%
320 - Emergency medical service, other	2	1.14%
321 - EMS call, excluding vehicle accident with injury	110	62.86%
322 - Motor vehicle accident with injuries	6	3.43%
324 - Motor vehicle accident with no injuries.	3	1.71%
400 - Hazardous condition, other	1	0.57%
412 - Gas leak (natural gas or LPG)	1	0.57%
444 - Power line down	1	0.57%
550 - Public service assistance, other	2	1.14%
553 - Public service	4	2.29%
554 - Assist invalid	4	2.29%
561 - Unauthorized burning	1	0.57%
600 - Good intent call, other	1	0.57%
611 - Dispatched & cancelled en route	17	9.71%
622 - No incident found on arrival at dispatch address	7	4%
631 - Authorized controlled burning	1	0.57%
650 - Steam, other gas mistaken for smoke, other	1	0.57%
651 - Smoke scare, odor of smoke	1	0.57%
700 - False alarm or false call, other	2	1.14%
735 - Alarm system sounded due to malfunction	2	1.14%
740 - Unintentional transmission of alarm, other	2	1.14%
741 - Sprinkler activation, no fire - unintentional	1	0.57%
743 - Smoke detector activation, no fire - unintentional	2	1.14%
746 - Carbon monoxide detector activation, no CO	1	0.57%
TOTAL INCIDENTS:	175	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Scotts Valley Fire Protection District

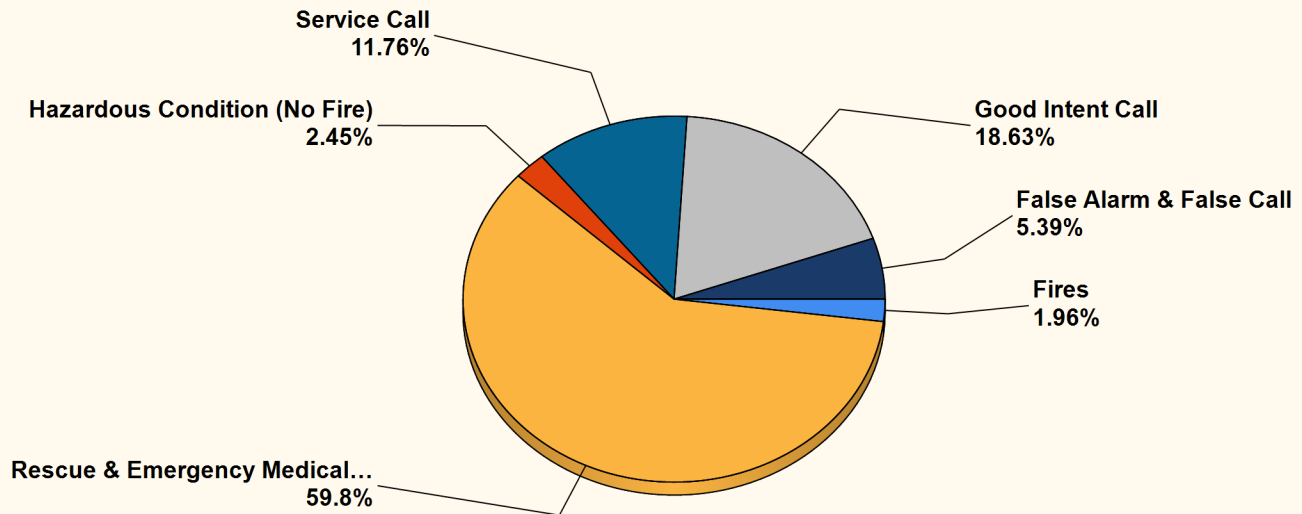
Scotts Valley, CA

This report was generated on 6/5/2023 8:00:37 AM



Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 05/01/2022 | End Date: 05/31/2022



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	4	1.96%
Rescue & Emergency Medical Service	122	59.8%
Hazardous Condition (No Fire)	5	2.45%
Service Call	24	11.76%
Good Intent Call	38	18.63%
False Alarm & False Call	11	5.39%
TOTAL	204	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Detailed Breakdown by Incident Type

INCIDENT TYPE	# INCIDENTS	% of TOTAL
111 - Building fire	1	0.49%
118 - Trash or rubbish fire, contained	1	0.49%
131 - Passenger vehicle fire	2	0.98%
320 - Emergency medical service, other	1	0.49%
321 - EMS call, excluding vehicle accident with injury	108	52.94%
322 - Motor vehicle accident with injuries	5	2.45%
323 - Motor vehicle/pedestrian accident (MV Ped)	2	0.98%
324 - Motor vehicle accident with no injuries.	5	2.45%
353 - Removal of victim(s) from stalled elevator	1	0.49%
424 - Carbon monoxide incident	1	0.49%
440 - Electrical wiring/equipment problem, other	2	0.98%
444 - Power line down	1	0.49%
445 - Arcing, shorted electrical equipment	1	0.49%
500 - Service Call, other	2	0.98%
520 - Water problem, other	1	0.49%
542 - Animal rescue	1	0.49%
550 - Public service assistance, other	5	2.45%
553 - Public service	5	2.45%
554 - Assist invalid	10	4.9%
600 - Good intent call, other	2	0.98%
611 - Dispatched & cancelled en route	25	12.25%
622 - No incident found on arrival at dispatch address	6	2.94%
651 - Smoke scare, odor of smoke	5	2.45%
700 - False alarm or false call, other	2	0.98%
710 - Malicious, mischievous false call, other	1	0.49%
714 - Central station, malicious false alarm	1	0.49%
730 - System malfunction, other	1	0.49%
743 - Smoke detector activation, no fire - unintentional	2	0.98%
744 - Detector activation, no fire - unintentional	3	1.47%
745 - Alarm system activation, no fire - unintentional	1	0.49%
TOTAL INCIDENTS:	204	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.



Scotts Valley Fire Protection District

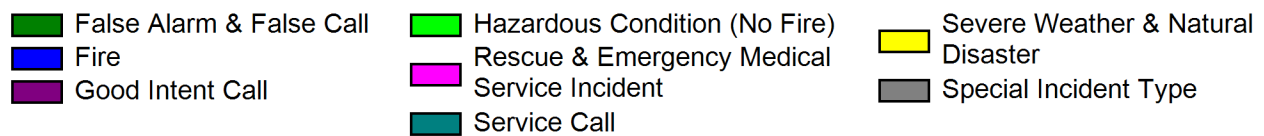
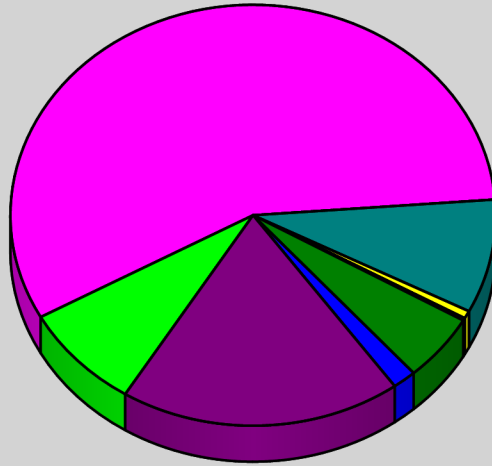
Scotts Valley, CA

This report was generated on 6/5/2023 8:01:46 AM



Major Incident Types by Month for Date Range

Start Date: 01/01/2023 | End Date: 05/31/2023



INCIDENT TYPE	JAN	FEB	MAR	APR	MAY	TOTAL
False Alarm & False Call	5	7	12	18	10	52
Fire	2	4	4	4	2	16
Good Intent Call	34	49	40	38	28	189
Hazardous Condition (No Fire)	24	20	33	2	3	82
Rescue & Emergency Medical Service Incident	113	119	111	109	121	573
Service Call	19	17	16	25	11	88
Severe Weather & Natural Disaster	5	1				6
Special Incident Type			1	1		2
Total	202	217	217	197	175	1008

Only REVIEWED incidents included



emergencyreporting.com

Doc Id: 495

Page # 1 of 1

Scotts Valley Fire Protection District

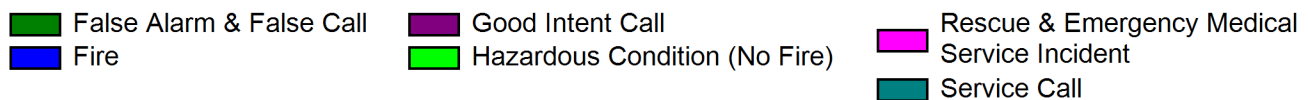
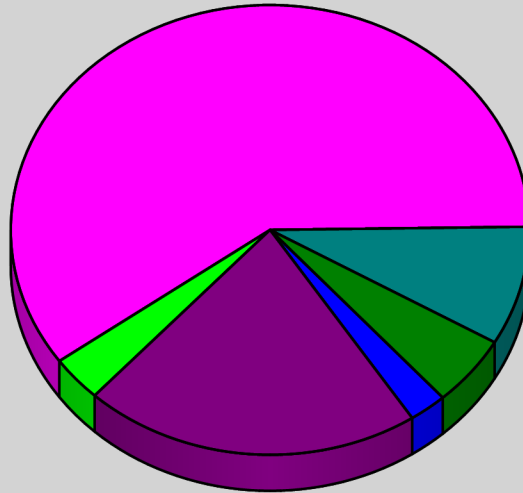
Scotts Valley, CA

This report was generated on 6/5/2023 8:02:38 AM



Major Incident Types by Month for Date Range

Start Date: 01/01/2022 | End Date: 05/31/2022



INCIDENT TYPE	JAN	FEB	MAR	APR	MAY	TOTAL
False Alarm & False Call	9	9	7	9	11	45
Fire	2	4	6	5	4	21
Good Intent Call	44	32	31	42	38	187
Hazardous Condition (No Fire)	7	7	4	6	5	29
Rescue & Emergency Medical Service Incident	114	86	108	100	122	530
Service Call	16	7	17	12	24	76
Total	192	145	173	174	204	888

Only REVIEWED incidents included



emergencyreporting.com

Doc Id: 495

Page # 1 of 1



Autumn Fernandez ▸ My Scotts Valley Locals Group



May 28 at 9:01 AM · 🌐

I want to give a big shout out to SV fire and EMS! Not only did they show up within 2 minutes of calling, but fire stayed behind and went above and beyond after I was whisked away. With the help of my 6 year old to find things, they thawed breastmilk and made a bottle for my screaming infant then cleaned up the floor after my poor visiting father was left with a big mess and 2 kids until my husband could get home. They truly made a highly stressful situation so much better with their genuine kindness, and for that I am incredibly grateful!



You, Ashley Luke, Daron Pisciotto and 199 others

22 comments



Like



Comment



Send

Scotts Valley Fire Protection District

Fire Chief Employment Contract

This contract, dated June 24, 2023 is made between the Scotts Valley Fire Protection District ("DISTRICT") and Mark Correira ("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:

1. TERM OF AGREEMENT

The term of this agreement shall begin on June 24, 2023, 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.
- (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. Cost of participation in these organizations and or professional development activities will be borne by the District and subject to the approval of the President of the Board of Directors.
- (d) EMPLOYEE agrees that in return for the benefits provided herein EMPLOYEE will, within six (6) months and continuously thereafter, reside within twenty five (25) 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 B (\$18,446 monthly; \$221,352 annually). Movement to 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.

Pay rate takes effect on the pay period inclusive of the dates listed.			
	7/1/2022	7/1/2023	7/1/2024
Chief A 20% above BC1*	\$17,387	\$17,908	\$18,446
Chief B 20% above BC2*	\$17,909	\$18,446	\$19,000
Chief C 20% above BC3*	\$18,447	\$19,000	\$19,570
*BC salary is calculated using base pay plus holiday pay			

- (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 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-six percent (96%) of the monthly premium cost of the Region 1 PERS Platinum 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 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 to 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.
- v. The District agrees to participate in the California Government Voluntary Employee Benefit Association (CALGOVEBA) plan, which is intended to assist employees with planning for retirement health care expenses. Chief Officer's participation in the VEBA is mandatory and irrevocable.
- vi. All payments made to the VEBA on employee's behalf shall be irrevocably paid to the California Government Voluntary Employee Benefit Association 501 (c)(9) Trust. BAA Capital Advisors Inc. is the Trust Administrator.
- vii. The Chief Officers agree to indemnify and hold the District harmless against any claims, lawsuits, demands, penalties, or liability of any kind whatsoever that may arise against the District from the employee's participation in the VEBA, including taxes and liabilities relating to the VEBA's exempt status as a 501 (c)(9) trust.
- viii. The Chief Officers may form sub-groups based on hire date. These sub-groups can be added, deleted, or changed annually by the Chief Officers. Every calendar year, the Chief Officers shall submit notification to the District defining sub-groups. Each group will establish their respective payroll contributions and percentage of their vacation and sick leave balance to VEBA at retirement.

- (i) Vehicle: DISTRICT will provide EMPLOYEE a vehicle for use by EMPLOYEE in the conduct of DISTRICT business and de minimis personal use, 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. 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.
- (k) Cell Phone: The DISTRICT will provide EMPLOYEE with a cellular phone to conduct DISTRICT business. DISTRICT will pay all expenses related to use of the cellular telephone.
- (l) 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.
- (m) 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).
- (n) Management Incentive Pay: DISTRICT will pay EMPLOYEE \$12,350 (\$13,000 effective 7-1-23) 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.

Pay Period Inclusive	Per Payday	Monthly	Annual
7/1/22	\$475.00	\$1,029.17	\$12,350
7/1/23	\$500.00	\$1,083.33	\$13,000
7/1/24	\$525.00	\$1,137.50	\$13,650

- (o) Education Pay: DISTRICT will provide EMPLOYEE with education pay for a degree from an accredited university in a related field. EMPLOYEE shall receive a monthly amount as follows: (the sum will be spread over 26 pay periods and paid out bi-weekly):

Degree	Monthly Amount
Master's Degree	\$300.00
Bachelor's Degree	\$200.00
Associates Degree	\$150.00

- (p) Management Leave: EMPLOYEE will be granted forty (40) hours of management leave per calendar year. Requests to use management leave must be approved in advance by the Board President. For the term of this contract, unused management leave shall be cashed out at the end of the calendar year at the employee's base hourly rate.
- (q) 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.
- (r) 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.
- (s) Bereavement Leave: Leave with pay shall be granted to EMPLOYEE in order that they may discharge the customary obligations arising from the death of a member of their immediate family. Immediate family shall mean an employee's child, adopted or stepchild, spouse, registered domestic partner, father, mother, stepparents, grandparents, grandchildren, brother, sister, or any of the above related to the spouse or domestic partner. The Fire Chief will be granted 50 hours (5 workdays) of leave which shall be charged against sick leave balance. The leave must be used in complete shifts. However, it may be used in non-consecutive days. Additional leave with or without pay may be granted with the approval of the Board President and charged to the employee's leave banks if available. Use of sick leave balance for bereavement shall not count against the 96-hour maximum use provision of Section 3(r) "Sick Leave Buy Back".
- (t) Upon retirement EMPLOYEE may cash out up to 10% of accrued sick leave hours up to a maximum of 400 hours. Payment of sick leave hours will be at the employee's base hourly rate.
- (u) Sick Leave Buyback: Each year, on or after January 1 of the following calendar year of accrual, EMPLOYEE shall be paid for 10% of his sick leave hours accumulated during the portion of the year he was eligible, subject to the following conditions.
- EMPLOYEE shall have used no more than ninety-six (96) hours of sick leave during the calendar year and shall be in paid status on the last day of the calendar year.
 - The compensation rate used shall be double (two times) the EMPLOYEE's hourly rate received during the year of accrual.
 - All such payments shall be made within thirty-one (31) days of the last day of each year.
 - After deductions of hours paid, the remaining sick leave balances shall be accumulated to the credit of EMPLOYEE and carried forward into subsequent years. This balance shall be available for the use of employee in the event of injury / illness. Any balances remaining at separation shall be applied to PERS Section 20965 (Unused Sick Leave).

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

- (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. Just cause is defined as:

- (a) Dishonesty, willful misconduct, or gross neglect by EMPLOYEE in the performance of his obligations under this contract;
 - (b) Theft, embezzlement, or other similar misappropriation of funds or property of DISTRICT by EMPLOYEE;
 - (c) Intentional damage to any property of DISTRICT that results in a significant liability to DISTRICT;
 - (d) The failure of EMPLOYEE to follow reasonable and lawful instructions of the DISTRICT Board and/or policies of DISTRICT with respect to EMPLOYEE's duties hereunder;
 - (e) Conviction of a felony;
 - (f) Loss of mental capacity for a period of six consecutive months;
 - (g) Intoxication on duty, whether by alcohol or drugs;
 - (h) Inexcusable absences without leave;
 - (i) Willful violation of Federal/State law;
 - (j) Willful violation of any conflict of interest law; or
 - (k) Performance of material outside business activity that conflict with his duties as Fire Chief of the DISTRICT.
- (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. **SUSPENSION**

The DISTRICT Fire Board may suspend EMPLOYEE with full pay and benefits at any time during the term of this contract. Notwithstanding any provision to the contrary, EMPLOYEE shall reimburse DISTRICT any and all leave salary which may be paid to EMPLOYEE pending any investigation of the employment related conduct of EMPLOYEE if EMPLOYEE is convicted of a crime involving abuse of his office or position as defined in Government Code section 53243.4 [GC 53243].

7. **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.

- (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.

8. 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.
- (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: Daron Pisciotta

Employee: Mark Correira

Date Signed:

Date Signed:

Attest: Ron Whittle

Date Signed: