

# CREST FOREST FIRE PROTECTION DISTRICT

## Fiscal Impact Analysis

### BOARD OF DIRECTORS

- ◆ Chuck Gibbs, President
- ◆ Robert Goss, Vice-President
- ◆ Leslie Dodge-Taylor, Director
- ◆ Jerry C. Ringhofer Jr., Director
- ◆ Jerome C. Ringhofer Sr., Director



EST. 1929

NOVEMBER 18, 2014



# Crest Forest Fire Protection District

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## Fiscal Impact Analysis

Crest Forest Fire Protection District (CFFPD) formed an ad hoc committee after a board action item on the May 12, 2014 meeting. Members of the committee include, Vice-President Robert Goss, Director Jerry Ringhofer Jr., Division Chief Kathleen Opliger, Battalion Chief Ronald Walls, and Administrative Secretary Patti Forsythe. At the June 15, 2014 Board Meeting, Director Ringhofer Jr. reported the ad hoc committee met and strongly recommended the District to move forward with the annexation process.

### HISTORY-GENERAL

December 14, 2010, CFFPD approved a board action item to solicit for *All-Risk Community Emergency Response Services* from an outside agency through the distribution of a Request for Proposal (RFP). A contract was awarded to the San Bernardino County Fire Protection District (SBCFPD), commencing July 13, 2013, and ending on June 30, 2023. The agreement included a three-year firm term, commencing upon execution of the contract, during which time neither party may exercise early termination of the agreement. The remainder of the ten-year term was subject to annual renewal with a one-year advance notice if either party intended to exercise the right to terminate the contract.

### HISTORY-PARAMEDIC SERVICE

#### Paramedic Service Zone PM-A

On May 21, 1991, the CFFPD formed Paramedic Service Zone PM-A within its boundaries. The CFFPD Board of Directors, under the authority of Government Code Section 50075, imposed a special tax on parcels within Zone PM-A on February 18, 1992. Voters within Zone PM-A approved the special tax at the November 5, 1991 special election "PM-A Special Tax". This special tax commenced with the 1992-1993 fiscal year, and ***did not include an inflation factor or cost of living increase and does not include a sunset provision.***



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## Paramedic Service Zone PM-1

In September 1986, County Service Area 70 Improvement Zone PM-1 and the Lake Arrowhead Fire Protection District entered into an agreement whereby the Lake Arrowhead Fire Protection District would provide paramedic and administrative support services to Improvement Zone PM-1 within County Service Area 70. The provision of service was funded by a special tax PM-1 Special Tax under authority of Government Code Section 50077, which was approved by voters on November 3, 1981. The special tax was not to exceed \$10 per parcel.

In February 1991, a special tax election was authorized within County Service Area 70 Improvement Zone PM-1 to increase the authorized special tax to \$17 per parcel. The measure was approved by voters on June 4, 1991. As result of the reorganization of SBCFPD in July 2008, County Service Area 70 was restructured. The PM-1 special tax was transferred to CFFPD to fund paramedic service to the new area. This special tax commenced with the 1991-1992 fiscal year and ***did not include an inflation factor or cost of living increase and does not include a sunset provision.***

On January 31, 2012, the CFFPD Board authorized a special election (Measure J and K), held on May 8, 2012, for a special parcel tax for paramedic services. The special parcel tax would establish the District's appropriations limit to the qualified voters of the District. The election proposed a special parcel tax of \$59 per parcel to begin July 1, 2012. Both measures failed to receive the two-thirds majority vote needed to pass.

## RATES

### Paramedic Service Zone PM-1

The PM-1 Special Tax is \$17 per parcel. ***No inflation factor or cost of living increase was included for the PM-1 Special Tax; therefore \$17 remains the current rate.***



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## Paramedic Service Zone PM-A

The following table shows the PM-A Special Tax rates established by Resolution 01-03, adopted on June 19, 2001. *No inflation factor or cost of living was included for the PM-A Special Tax, therefore the table below reflects the current rates.*

Per	Amount	Units*
Individual Dwelling Unit (IDU)	\$39.50	7318
Commercial Unit (CU)	\$45.00	258
Undeveloped Parcel (UP)	\$24.50	6210

\*As of January 2014, Attachment 3 – NBS January 2014 report

Individual Dwelling Unit (IDU) is defined as “a single family residence, an individual apartment unit, condominium or mobile home”.

Commercial Unit (CU) is defined as “an individual wholesale or retail business at a single location”.

Undeveloped Parcel (UP) is defined as “an undeveloped parcel of real property”.

Property taxes are levied and payable in two installments on December 10<sup>th</sup> and April 10<sup>th</sup>. The San Bernardino County Treasurer/Tax Collector bills and collects the property taxes and distributes them to the District in installments throughout the year.

Dissolution of CFFPD: A condition of approval shall be included designating SBCFPD Mountain Service Zone as the successor agency for all property tax revenues attributable to the dissolving entity, including delinquent taxes, and any and all other collections or assets of the District to be dissolved, shall accrue and be transferred to the successor District, SBCFPD Mountain Service Zone, pursuant to the provisions of government Code Section 56810. The successor District shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions,



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entitlements, permits, and approvals of the dissolving CFFPD, except as otherwise outlined in the Conditions of Approval by LAFCO.

## LONG-TERM DEBT: FACILITIES

The District has an installment loan with City National Bank, paid through the contract with SBCFPD. The loan is secured by structures and improvements, bears interest at 5.4% per annum, and matures in 2030. SBCFPD, successor public agency, will assume all of the obligations of the District as part of the LAFCO process, including financings. A simple notification of the name and billing address of the successor entity and the lease will continue without interruption. *There is no requirement for a mandatory prepayment of the financing* in the event of an annexation (Reference Attachment 6 - SBCFPD to assume CFFPD facility lease agreement #10-010) nor any penalty if an accelerated prepayment schedule is chosen. CFFPD Facilities Corporation submitted a Certificate of Dissolution to the California Secretary of State on March 2013. All known debts and liabilities were paid and the CFFPD Facilities Corporation was dissolved on April 23, 2013.

Remaining maturities are as follows:

Fiscal Year Ending

<u>June 30<sup>th</sup></u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2015	\$115,989	\$69,600	\$185,589
2016	\$112,217	\$70,500	\$182,717
2017	\$108,338	\$76,100	\$184,438
2018	\$104,085	\$86,800	\$190,885
2019-2023	\$441,529	\$547,500	\$989,028
2024-2028	\$265,091	\$797,100	\$1,062,191
2029-2030	<u>\$42,914</u>	<u>\$517,500</u>	<u>\$560,414</u>
Totals	<u>\$1,190,163</u>	<u>\$2,165,100</u>	<u>\$3,355,263</u>



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## FACILITIES

Real Property owned by the District is valued at approximately 3.5 million dollars (Attachment 9 – CFFPD Basic Financial Statements for the year ended June 30, 2013). The District’s Structures/Land Reserves Fund (MCI) is a budget operating transfer out to the District’s General Fire Fund (MCG) and is not expected to fund any future capital improvements.

Station	Address	APN	Approx Sq. Ft. Structure	Approx Sq. Ft. Land
24	21945 Crest Forest Drive, Cedarpines Park, CA 92325	0342-212-11	600	123,710
25	23407 Crest Forest Drive, Crestline, CA 92325	0338-083-16	14,000	40,000
26	737 Grandview Road, Twin Peaks, CA 92391	0334-091-13	6,500	40,000
28	23003 Waters Drive, VOE, CA 92325	0343-186-06	850	4875
29	24538 Lake Drive, Crestline, CA 92325	0337-202-14	1,500	10890
30	26330 State Highway 18, Rimforest, CA92378	0336-021-18	1,000	Easement Deed with USFS

Station 30 is owned by the District and entered a Land Use Agreement with the USFS commencing on September 19, 1951. CFFPD Board of Directors granted an easement for land defined as: A portion of the SW ¼, NE ¼, Sec 30, TWN 2N, RNG 3W, S.B.B. & M. In consideration of such use, the Easement is issued Free of Charge. However, the successor agency, SBCFPD, will have the responsibility to enter into agreement with USFS at time of reconveyance of real property (Station 30).



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## FLEET

The District owns and operates a total fleet of emergency response vehicles valued at approximately 2.3 million dollars (Attachment 9 – CFFPD Basic Financial Statements for the year ended June 30, 2013) with no replacement program in place. The replacement dates and cost below are based on SBCFPD fleet replacement program schedule. District will transfer all vehicles and equipment to successor agency SBCFPD. The District's Vehicle/Equipment Reserves Fund (MCL) is a budget operating transfer out to the District's General Fire Fund (MCG) and is not expected to fund any future fleet replacement.

CO#	Radio ID	Type	Fuel	Vin# Ending	Year	Make/Model	Repl. Date	Repl. Cost
99806	3299	Support	Diesel	39416	1987	Chev/Stp Van	2012	\$35,000
99807	MA25A	AMB	Diesel	11211	2003	Ford/Van 4x4	2013	\$155,000
99809	UT26	Utility	Gas	30163	2000	Chev/3500 4x4	2010	\$50,000
99811	BP25	Brush Patrol	Gas	43061	2005	Chev/3/4 ton 4x4	2015	\$180,000
99812	OES309	Engine	Diesel	19607	2002	HME Westates	OES	OES
99813	BP26	Brush Patrol	Gas	10509	2005	Chev/3/4 ton 4x4	2015	\$180,000
99814	MA26	AMB	Diesel	74711	1997	Ford/Van 4x4	2007	\$155,000
99816	Crest 1	Engine	Gas	84	1929	Studebaker	N/A	N/A
99817	TRL26	Trailer	N/A	29312	1975	Spens Tilt Bed	1994	\$15,000
99818	E30	Engine	Diesel	03612	1991	Spartan 4x4	2006	\$400,000
99820	E28	Engine	Diesel	03613	1991	Spartan 4x4	2006	\$400,000
99821	WT30	Water Tender	Diesel	01252	1980	Mack	1995	\$210,000
99822	E29	Engine	Diesel	03614	1991	Spartan 4x4	2006	\$400,000
99824	LDR26	Loader	Diesel	0310T	1974	John Deere/Skip Loader	1994	\$175,000
99825	MA26R	AMB	Diesel	12054	1998	Ford/Van	2008	\$155,000
99826	BBQ25	Trailer	N/A	55751	1995	Homemade BBQ Trailer	N/A	N/A
99890	MA25A	AMB	Diesel	17768	2007	Chev/4500 Box 4x4	2017	\$155,000
99891	3230	Support	Gas	92537	2001	Ford F350 4x4	2008	\$38,000



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99892	SC26	Snow Cat	Gas	05586	1974	Bombardier	1994	\$195,000
99893	3200	Staff	Gas	27717	2003	Ford Expedition 4x4	2010	\$35,000
99894	BE25	Brush Engine	Diesel	59203	2003	International 5800 4x4	2018	\$380,000
99895	ME25	Engine	Diesel	40147	2003	Ferrara 4x4	2017	\$520,000
99896	ME26	Engine	Diesel	40146	2003	Ferrara 4x4	2017	\$520,000

### **San Bernardino County Employees' Retirement Association (SBCERA) OBLIGATION**

Contact terms between CFFPD and SBCFPD repayment of the District's *County safety cost pool* and obligation to SBCERA as described on page three, TERMS AND CONDITIONS, section 11 (a)(1) and page seven, CURRENT CONTRIBUTION RATES – SUPPLEMENTAL PAYMENT. As described in contract terms, the District shall make a supplemental payment to SBCFPD by December 1<sup>st</sup> of each year, beginning in 2013 and continuing for a total of twenty (20) years in the amount of \$410,437 including a four percent (4%) annual compounded increase to offset the cost of the *County safety cost pool*. SBCFPD will then make an equal payment to SBCERA by December 31<sup>st</sup> of each year. LAFCO will create a new service zone to isolate and retain the SBCERA pension obligation specific to the currently existing CFFPD boundaries. The retention of this obligation is a necessary process at the time of annexing to successor agency SBCFPD. (Reference Attachment 8 – Excerpt from CFFPD Basic Financial Statements for Year Ended June 30, 2013 p. 32).



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Fiscal Year	December 1 <sup>st</sup> Installment	4% annual compounded increase	Calculated increase for next fiscal year
2013	\$410,437.00	\$16,417.48	\$426,854.48
2014	\$426,854.48	\$17,074.18	\$443,928.66
2015	\$443,928.66	\$17,757.15	\$461,685.81
2016	\$461,685.81	\$18,467.43	\$480,153.24
2017	\$480,153.24	\$19,206.13	\$499,359.37
2018	\$499,359.37	\$19,974.37	\$519,333.74
2019	\$519,333.74	\$20,773.35	\$540,107.09
2020	\$540,107.09	\$21,604.28	\$561,711.38
2021	\$561,711.38	\$22,468.46	\$584,179.83
2022	\$584,179.83	\$23,367.19	\$607,547.02
2023	\$607,547.02	\$24,301.88	\$631,848.90
2024	\$631,848.90	\$25,273.96	\$657,122.86
2025	\$657,122.86	\$26,284.91	\$683,407.78
2026	\$683,407.78	\$27,336.31	\$710,744.09
2027	\$710,744.09	\$28,429.76	\$739,173.85
2028	\$739,173.85	\$29,566.95	\$768,740.80
2029	\$768,740.80	\$30,749.63	\$799,490.44
2030	\$799,490.44	\$31,979.62	\$831,470.05
2031	\$831,470.05	\$33,258.80	\$864,728.86
2032	\$864,728.86	\$34,589.15	\$899,318.01
2033	\$899,318.01	\$35,972.72	\$935,290.73

## **RISK MANAGEMENT**

Public Agencies Self-Insured Systems of San Bernardino (PASIS) began self-insuring its exposure to workers compensation claims on July 1, 1978. The program is set up as a banking system where the members share the expenses, and each member is responsible for its own losses up to a \$300,000 per occurrence self-insured retention. Losses above the self-insured retention are covered by reinsurance, which is purchased by PASIS. The members of PASIS, A Joint Powers Authority (JPA), are Apple Valley Fire Protection District, City of Beaumont, Rancho Cucamonga Fire Protection District, and Crest Forest Fire Protection District. The District is required to give a one-year notice to PASIS of withdrawal from the JPA.



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On June 15, 2014, CFFPD Board of Directors approved a board action item to issue a one year withdrawal notice to PASIS effective July 1, 2015.

Under the terms of the District's contract with SBCFPD, the district agreed to assume all liability for, and to defend, indemnify and hold harmless SBCFPD, its officers, agents, employees or volunteers from claims, actions, losses, or damages by any such CFFPD employee that arise from occupational injuries during the course of their employment during the term of the contact agreement that arose out of, or were aggravated by, medical conditions existing prior to the term of the contract agreement as identified during pre-employment physicals and in existing CFFPD employee files. The District continues to manage five (5) open claims (tails). Because CFFPD transferred all employees to SBCFPD at contract commencement, PASIS premiums are shared with the other PASIS member at a 7.39% operating premium total. The successor agency, SBCFPD Risk Management, will assume all the District's claim liabilities as well as fund balances after all PASIS administrative obligations are satisfied.

## Statement of Assets and Ending Balances

As of March 31, 2014

	Actuarial Reserve	Operating	Total
CFFPD	<u>\$421,721.00</u>	<u>\$59,606.99</u>	<u>\$481,327.99</u>

## Statement of Income, Disbursements and Cash Balances

As of March 31, 2014

	Beginning Balances 6/30/2013	Premium Paid	Interest Allocation	Total Disbursements	Ending Balances 3/31/2014
CFFPD	<u>\$557,772.76</u>	<u>\$0.00</u>	<u>\$928.51</u>	<u>\$77,373.28</u>	<u>\$481,327.99</u>



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## Recap of Disbursements

As of March 31, 2014

	Medical	Indemnity	Claimant Expense	Fitness	Admin & Insurance	Dividend Credit	Total
CFFPD	<u>\$13,503.71</u>	<u>\$41,124.37</u>	<u>\$5,398.88</u>	<u>\$0.00</u>	<u>\$17,346.32</u>	<u>\$0.00</u>	<u>\$77,373.28</u>

## Annual Premiums (percentage determined by actuarial calculation)

As of March 31, 2014

	2013-2014 IBNR Premium	2013-2014 Operating Premium	Operating Premium Total
CFFPD	<u>\$0.00</u>	<u>\$0.00</u>	<u>7.39%</u>

## Potential Outstanding Claims Liability – Estimate Future Costs

As of March 31, 2014

	Number of Claims	Total
CFFPD	<u>5</u>	<u>\$402,417.80</u>

## Estimated Present Value of Outstanding Liabilities and Equity

As of June 30, 2013\*

\*Note date change

	(1) FY 2013-2014 PASIS Premium	(2) Limited Case Reserves As of 6/30/2013	(3) Total Indicated Liabilities As of 6/30/2013	(4) Ending Balance As of 6/30/2013	(5) Premium due 7/1/2012 - 2013	(6) Redundancy (Deficiency) (4)+(5)-(3)
CFFPD	<u>\$207,815</u>	<u>\$297,853</u>	<u>\$648,199</u>	<u>\$557,773</u>	<u>\$0.00</u>	<u>(\$90,426)**</u>

\*\* This was reported to CFFPD Board Meeting on April 15, 2014



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## Projected Equity

As of June 30, 2014

	(7) FY 2013- 2014 PASIS Premium	(8) Limited Case Reserves As of 6/30/2013	(9) Total Projected Incurred 7/1/2013 – 2014	(10) Est. Ending Balance As of 6/30/2014 (4)+(5)+(7)-(9)	(11) Redundancy (Deficiency) (6)+(7)-(9)
CFFPD	<u>\$0.00</u>	<u>\$297,853</u>	<u>\$0.00</u>	<u>\$557,773</u>	<u>\$(90,426)</u>

### FIRE AGENCIES FIRE RISK AUTHORITY (FAIRA)

Fire Agencies Fire Risk Authority (FAIRA) is the District's liability insurance. Founded in 1988, FAIRA is a public agency joint powers authority (JPA) providing insurance risk management services tailored to meet specific needs of fire and emergency service agencies. The District is required to give a one-year notice to FAIRA of withdrawal from the JPA. On June 15, 2014, CFFPD Board of Directors approved a board action item to issue a one year withdrawal notice to FAIRA effective July 1, 2015.

### CONTRACTS

**Inland Counties Emergency Medical Agency (ICEMA) – MISS** (electronic data collection) Memorandum of Understanding Agreement. This agreement does not impact discretionary general funding (net county cost). The Contract is non-financial in nature, and will result in no financial impact. The Contract does not involve any federal program or the use of any federal funds.

### **ICEMA-Memoranda of Understanding with Public Providers for Ambulance Services.**

The CFFPD is authorized by LAFCO to provide ambulance services within its boundaries (Reference Attachment 7 - Crest Forest-Lake Arrowhead Companion Report, November 30,



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2010) as an extension of authority under Health and Safety Code 1797.201. ICEMA authorizes the CFFPD to provide Advanced Life Support (ALS) ambulance service within EOA 10 and Basic Life Support (BLS) ambulance services within EOA 11, supporting the other EOA awardee - American Medical Response. The CFFPD boundary extends into EOA 18, and does not have authority by ICEMA to provide ambulance services to the SBCFPD. SBCFPD is authorized to provide ambulance services for EOA 18 and currently provides an ALS ambulance from the CFFPD Fire Station 26 to respond to EOA 18. Under an annexation proposal, the CFFPD proposes the successor agency SBCFPD Mountain Service Zone, to assume all rights and responsibilities. Preliminary inquiries from CFFPD to LAFCO support this position.

The District adopted Resolution 14-04, a Resolution imposing and levying Special Taxes on Property with Paramedic Service Zones PM-A and PM-1 to finance paramedic rescue services with said zones for 2014-2015. The CFFPD will fall under the influence of SBCFPD Mountain Service Zone. LAFCO indicated it would create a new PM special tax to reorganize CFFPD existing PM-1 and PM-A special tax.

The District adopted Resolution 14-05, a Resolution amending and restating maximum ambulance rates for ambulance service in conformance with ICEMA 2014-2015 Ambulance Rate Adjustment Effective July 1, 2014 – June 30, 2015.

**OES-Cal EMA Agreement.** Under an annexation proposal, the CFFPD proposes the successor agency, SBCFPD Mountain Service Zone, with all rights and responsibilities to enter into agreement with CAL EMA to transfer responsibility and manage OES309.

### GRANTS

Staffing for Adequate Fire and Emergency Response (SAFER) - The SAFER Grant that was awarded to CFFPD ended July 2013 after 2 (two) years. All documentation has been reported and all reports have been submitted and approved by FEMA except the final closing report.



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FEMA reported having trouble with their closing documents for this grant and the District received an email last September (2013) indicating FEMA will advise when the District can close out the grant on their website. Successor agency, SBCFPD will assume the reporting of closing documents in the event annexation occurs before the final closing report.

## **Homeland Security**

### **Radios & Pagers**

The successor District shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits, and approvals of the dissolving CFFPD, except as otherwise outlined in the Conditions of Approval by LAFCO.

### **Duo-dotes**

The current issue of Duo-dotes has exceeded the posted expiration dates. However, documentation from the distributor indicates that the Duo-dotes should be retained, as the efficacy of the medication is known to exceed the expiration date.

## **Brush Patrol (AFG)**

The successor District shall succeed to all rights, duties, responsibilities, properties (both real and personal), contracts, equipment, assets, liabilities, obligations, functions, executory provisions, entitlements, permits, and approvals of the dissolving CFFPD, except as otherwise outlined in the Conditions of Approval by LAFCO.



# Crest Forest Fire Protection District

## BUDGETS ACTUALS

General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

### General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance

	2010	2011	2012 *	2013 **
<b>Revenues</b>				
Property taxes & assessments	\$3,761,954	\$3,625,380	\$3,452,799	\$3,431,759
Grants	0	0	0	0
Ambulance fees	0	0	0	0
Charges for services		12,522	11,891	12,925
Interest	17,184	14,547	5,810	5,449
Other	100,085	145,609	297,550	368,063
<b>Total Revenues</b>	<b>3,879,223</b>	<b>3,798,058</b>	<b>3,768,050</b>	<b>3,818,196</b>
<b>Expenditures</b>				
Salaries and benefits	3,482,993	3,196,422	3,397,139	3,327,061
Services and supplies	388,563	331,207	374,062	393,332
Debt service	105,272	7,305	189,067	184,565
Capital outlay	10,442	13,663	24,542	5,667
<b>Total Expenditures</b>	<b>3,987,270</b>	<b>3,548,597</b>	<b>3,984,810</b>	<b>3,910,625</b>
<b>Excess Revenues over/under expenditures</b>	<b>-108,047</b>	<b>249,461</b>	<b>-216,760*</b>	<b>-92,429**</b>
<b>Other Sources (Uses)</b>				
Operating transfers in	181,414	121,958	58,701	110,000
Operating transfers out	-357,064	-204,269	-173,367	-240,000
<b>Total Other Sources (Uses)</b>	<b>-175,650</b>	<b>-82,311</b>	<b>-114,666</b>	<b>-130,000</b>
<b>Excess revenues and other sources over/under expenditures</b>	<b>-283,697</b>	<b>167,150</b>	<b>-331,426</b>	<b>-222,429</b>
<b>Fund Balance, July 1<sup>st</sup> Start FY</b>	<b>1,108,753</b>	<b>735,506</b>	<b>902,202</b>	<b>570,776</b>
<b>Fund Balance, June 30<sup>th</sup> End FY</b>	<b>\$735,056</b>	<b>\$902,202</b>	<b>\$570,776</b>	<b>\$348,347</b>



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Special Revenue Fund is used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes. The fund is used to account for ambulance operations.

## Special Revenue Fund Statement of Revenues, Expenditures, and Changes in Fund Balance

	2010	2011	2012 *	2013 **
<b>Revenues</b>				
Property taxes & assessments	\$500,018	\$488,255	\$478,274	\$497,856
Ambulance fees	289,804	299,923	341,456	322,441
Interest	554	1,898	920	1,183
Other	10,393	550	790	625
<b>Total Revenues</b>	<b>809,769</b>	<b>790,626</b>	<b>821,440</b>	<b>822,105</b>
<b>Expenditures</b>				
Salaries and benefits	799,135	776,681	777,117	787,027
Services and supplies	120,928	119,495	123,781	113,196
Debt service	79,416	1,992	1,049	1,159
Capital outlay	0	566	830	0
<b>Total Expenditures</b>	<b>999,479</b>	<b>898,734</b>	<b>902,777</b>	<b>901,382</b>
<b>Excess Revenues over/under expenditures</b>	<b>-189,710</b>	<b>-108,108</b>	<b>-81,337*</b>	<b>-79,277**</b>
<b>Other Sources (Uses)</b>				
Operating transfers in	190,808	85,525	120,004	130,000
Operating transfers out	-15,158	-3,214	-5,338	0
<b>Total Other Sources (Uses)</b>	<b>175,650</b>	<b>82,311</b>	<b>114,666</b>	<b>130,000</b>
<b>Excess revenues and other sources over/under expenditures</b>	<b>-14,060</b>	<b>-25,797</b>	<b>33,329</b>	<b>50,723</b>
<b>Fund Balance, July 1st Start FY</b>	<b>61,163</b>	<b>47,103</b>	<b>21,309</b>	<b>54,637</b>
<b>Fund Balance, June 30th End FY</b>	<b>\$47,103</b>	<b>\$21,309</b>	<b>\$54,638</b>	<b>\$105,360</b>



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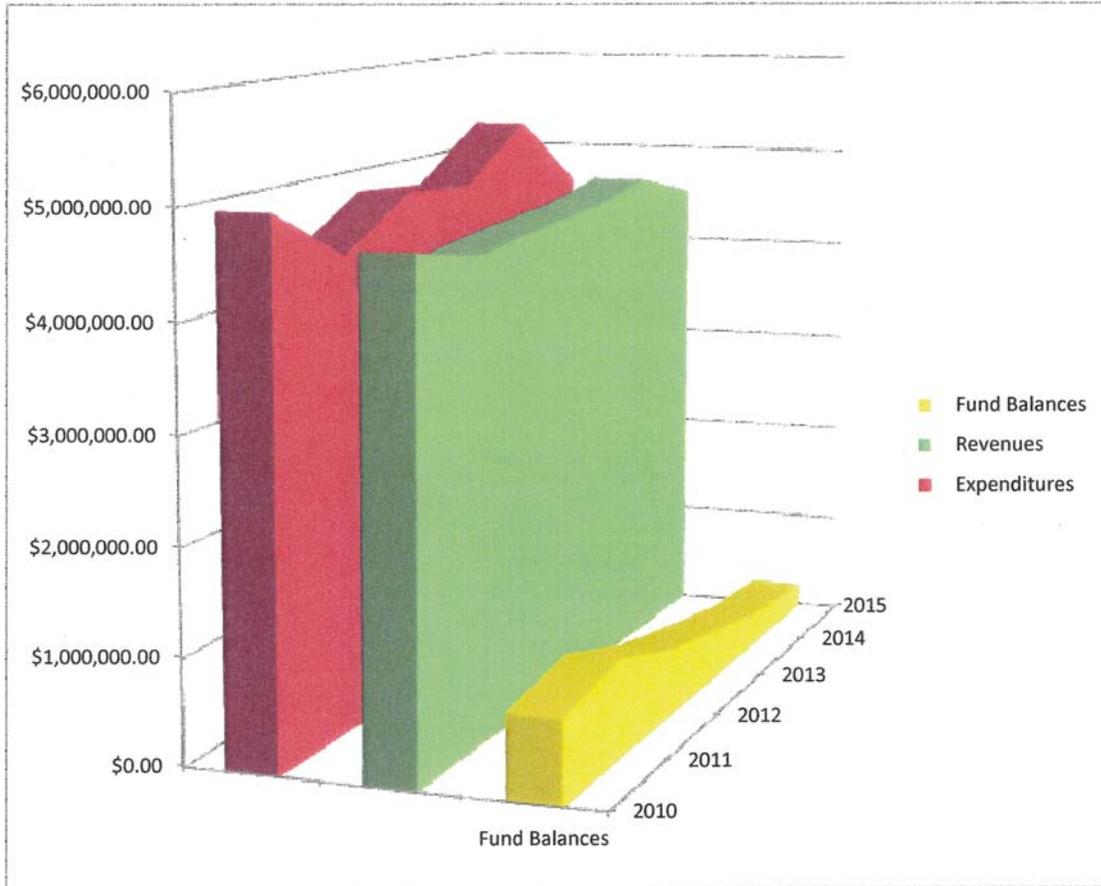
\* June 30, 2012, the District reported negative assets of \$1,609 and a decrease in net assets of \$374,259 on its government-wide financial statements. A net excess of expenditures over revenues of \$298,098 is a reportable financial note. This factor created a significant unreliability in the CFFPD's ability to provide an acceptable level of *all risk emergency response services*. The CFFPD exhausted all potential ways to remedy the shortfalls – including Measures J and K – without success. The decision to contract services with SBCFPD was reached after a careful evaluation of all other options and found to be the only verifiable way to ensure continuation of service levels.

\*\* June 30, 2013, the District reported a negative net position of \$171,568 and a decrease in a net position of \$169,959 on its government-wide financial statements. A net excess of expenditures over revenues of \$171,706 is a reportable financial note. This factor creates growing concern and uncertainty about the District's ability to continue. The District's Board of Directors contracted services with SBCFPD in an attempt to utilize resources in the most cost-effective manner.



# Crest Forest Fire Protection District

## General and Special Funds





# Crest Forest Fire Protection District

## BUDGETS ADOPTED

<b>Contract Annual Budgets</b>	<b>Contracting 2013 - 2014</b>	<b>Contracting 2014 - 2015</b>
<b>Salaries and Benefits</b>		
<b>Suppression</b>		
Captain x 6	1,050,443	1,099,404
Engineer/PM x 6	938,207	973,788
LT Firefighters x 3	111,036	128,130
LT Firefighters/PM x 3	123,725	142,788
<b>Suppression Total</b>	<b>2,223,411</b>	<b>2,344,110</b>
<b>Non-Suppression</b>		
Administrative Secretary x 1	53,001	63,872
<b>Non-Suppression Total</b>	<b>53,001</b>	<b>63,872</b>
<b>Term Benefits</b>		
PCF	25,000	11,812
<b>Workers' Compensation*</b>		
Suppression	82,712	*
Non-suppression	148	*
<b>Workers' Compensation Total</b>	<b>82,860</b>	
<b>Chief Officers (21.35%)</b>		
SBCFPD Division Chief x 1	50,609	59,501
Battalion Chief x 3	163,846	196,237
<b>Chief Officers Total</b>	<b>214,455</b>	<b>255,738</b>
<b>CFFPD Chief Officer Differential**</b>	<b>23,000</b>	<b>23,000</b>
<b>Total Salaries and Benefits ***</b>	<b>2,621,727</b>	<b>2,698,532</b>
<b>Operating Expenses</b>		
Services and Supplies	272,475	345,238
<b>Station Expenses</b>		
C025	145,183	256,836
C026	99,603	149,603
Debt Services	7,500	7,500
Lease Purchase Structure	183,207	185,590
<b>Total Operating Expenses</b>	<b>707,968</b>	<b>944,767</b>
<b>Contract Management Fee</b>	<b>218,283</b>	<b>228,886</b>
<b>SBCERA</b>	<b>410,437</b>	<b>426,855</b>
<b>Total Annual Requirements</b>	<b>3,958,415</b>	<b>4,299,040</b>



# Crest Forest Fire Protection District

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\* Workers' Compensation is calculated in the employee cost for FY 2014-2015.

\*\* Chief Officer Differential ends FY 2014-2015.

\*\*\* Salary and Benefits for FY 2013-2014 was based on 25 pay periods instead of 26 pay periods.

The terms of the contract between CFFPD and SBCFPD shall automatically renew in one (1) year periods. Assumptions include an annual increase to contract terms with projected revenues remaining flat.

## **PLAN FOR SERVICE**

As result of the reorganization of SBCFPD in July 2008, County Service Area 70 was restructured, and the PM-1 special tax was transferred to CFFPD to fund paramedic service to the new area. Within the current boundaries of the CFFPD, isolating the PM-1 special tax and returning it to SBCFPD Mountain Service Zone is a condition upon the effective date of this reorganization through the dissolution of CFFPD. Through the formation of the legal existence of County Service Area 70 Improvement Zone PM-1, a new Service Zone PM-4 shall include the territory of the predecessor agency. The successor agency shall assume all rights, duties, responsibilities, properties (both real and personal), contracts, equipment assets, liabilities, obligations, functions, executor provisions, entitlements, permits, and approvals related to the new territory to be formed into the SBCFPD Mountain Service Zone.

Upon the effective date of this reorganization, the Auditor/Controller-Recorder is directed to re-assign the ad valorem property tax revenues appropriated within CFFPD boundaries to the SBCFPD Mountain Service Zone, based upon the location of the tax rate areas in which said revenues were generated. Any and all reserve funds that exist upon the effective date of this proposed reorganization shall be transferred to the SBCFPD Mountain Service Zone.

LAFCO will create a new service zone (FP7) to isolate and retain the SBCERA pension obligation specific to the currently existing CFFPD boundaries beginning in 2015-2016 fiscal-



## Crest Forest Fire Protection District

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years. Service Zone FP7 amortization schedule is reported under the heading: San Bernardino County Employees' Retirement Association (SBCERA) Obligation, reference page 9.

We continue to project revenues flat, using a modest one percent increase as our conservative budgeting tool. The plan for service spans a five-year period, over which service levels are increased to better serve the needs of this complex and growing community. The elimination of management fees and other redundant services will allow for the reallocation of revenues to improve fire station staffing to enhance the delivery of fire, rescue, and EMS services to the community.

Service level increases include the conversion of the ambulance positions at fire station 25 from Limited Term Firefighters to single function Ambulance Operator positions. This change alone will improve EMS delivery in our community. In addition, one Firefighter Paramedic position (3 personnel) will be added to current fire station 25 staffing that will provide for improved firefighter safety in Immediately Dangerous to Life and Health (IDLH) operations. This improvement of service is consistent with SBCFPD regional service zone concept of operations. The regional service zone approach will allow CFFPD to fully benefit from the additional services and resources the county has to offer, not currently being realized under a "Contract for Service" model.

Crest Forest Five-Year Financial Analysis	2014 SBCFPD Position Staffing	2015 SBCFPD Proposed Staffing	2015 Average Cost Per Position	2015 SBCFPD Proposed Staffing	2016 Average Cost Per Position	2016 SBCFPD Proposed Staffing	2017 Average Cost Per Position	2017 SBCFPD Proposed Staffing	2018 Average Cost Per Position	2018 SBCFPD Proposed Staffing	2019 Average Cost Per Position	2019 SBCFPD Proposed Staffing	2020 Average Cost Per Position	2020 SBCFPD Proposed Staffing
<b>Staffing</b>														
<b>Station 25 - ME/MT &amp; MA</b>														
Captain	3	3	\$ 174,884.00	\$ 524,652.00	\$ 179,256.10	\$ 537,768.30	\$ 183,737.50	\$ 551,212.51	\$ 188,330.94	\$ 564,992.82	\$ 193,039.21	\$ 579,117.64	\$ 197,865.19	\$ 593,595.58
Engineer	3	3	\$ 162,331.00	\$ 486,993.00	\$ 166,389.28	\$ 499,167.83	\$ 170,549.01	\$ 511,647.02	\$ 174,812.73	\$ 524,438.20	\$ 179,183.05	\$ 537,549.15	\$ 183,662.63	\$ 550,987.88
FF/PM		3	\$ 142,639.00	\$ 427,917.00	\$ 146,204.98	\$ 438,614.93	\$ 146,204.98	\$ 438,614.93	\$ 146,204.98	\$ 438,614.93	\$ 149,860.10	\$ 449,580.30	\$ 153,606.60	\$ 460,819.81
Limited Term/EMT (LT)		3												
Limited Term/Paramedic's (LT)		3												
AO/PM *80 hr.		3	\$ 74,284.00	\$ 222,852.00	\$ 76,141.10	\$ 228,423.30	\$ 78,044.63	\$ 234,133.88	\$ 79,995.74	\$ 239,987.23	\$ 81,995.64	\$ 245,986.91	\$ 84,045.53	\$ 252,136.58
AO/EMT *80 hr.		3	\$ 62,679.00	\$ 188,037.00	\$ 64,245.98	\$ 192,737.93	\$ 65,852.12	\$ 197,556.37	\$ 67,498.43	\$ 202,495.28	\$ 69,185.89	\$ 207,557.66	\$ 70,915.54	\$ 212,746.61
<b>Station 26 - ME26 &amp; MA26</b>														
Captain	3	3	\$ 174,884.00	\$ 524,652.00	\$ 179,256.10	\$ 537,768.30	\$ 183,737.50	\$ 551,212.51	\$ 188,330.94	\$ 564,992.82	\$ 193,039.21	\$ 579,117.64	\$ 197,865.19	\$ 593,595.58
Engineer	3	3	\$ 162,331.00	\$ 486,993.00	\$ 166,389.28	\$ 499,167.83	\$ 170,549.01	\$ 511,647.02	\$ 174,812.73	\$ 524,438.20	\$ 179,183.05	\$ 537,549.15	\$ 183,662.63	\$ 550,987.88
FF/PM	FMZ*													
Limited Term/EMT's (LT)	FMZ*													
<b>Total Salary and Benefits</b>	<b>18</b>	<b>21</b>		<b>\$ 2,862,096.00</b>		<b>\$ 2,933,648.40</b>		<b>\$ 2,996,024.24</b>		<b>\$ 3,059,959.47</b>		<b>\$ 3,136,458.46</b>		<b>\$ 3,214,869.92</b>
<b>Services and Supplies</b>														
Services and Supplies - (2000-2099)				\$ 575,627.65		\$ 581,366.68		\$ 587,163.09		\$ 593,017.47		\$ 598,930.40		\$ 604,902.45
SBCERA Obligation - (3015)				\$ 443,929.20		\$ 461,686.37		\$ 480,153.82		\$ 499,359.98		\$ 519,334.37		\$ 540,107.75
Debt Service Interest (3330)				\$ 7,500.00		\$ 7,500.00		\$ 7,500.00		\$ 7,500.00		\$ 7,500.00		\$ 7,500.00
Lease Payment - COPs (4000-4095)				\$ 182,717.40		\$ 184,437.50		\$ 190,885.00		\$ 191,624.90		\$ 192,165.10		\$ 197,338.10
Transfers - (5000-5030)				\$ 90,412.00		\$ 91,316.12		\$ 92,229.28		\$ 93,151.57		\$ 94,083.09		\$ 95,023.92
<b>Total Appropriations</b>				<b>\$ 4,162,282.25</b>		<b>\$ 4,259,955.07</b>		<b>\$ 4,353,955.43</b>		<b>\$ 4,444,613.39</b>		<b>\$ 4,548,471.42</b>		<b>\$ 4,659,742.14</b>
<b>Revenues</b>														
Taxes				<b>1%</b>		<b>1.50%</b>		<b>1.50%</b>		<b>2.025%</b>		<b>2.025%</b>		<b>2.50%</b>
Prop Taxes - Curr Sec Debt Svc - (8015)				\$ 3,100,625.00		\$ 3,147,134.38		\$ 3,194,341.39		\$ 3,259,026.80		\$ 3,325,022.10		\$ 3,408,147.65
Prop Taxes Cur Unsec 1% Gen Tax - (8025)				\$ 137,350.00		\$ 139,410.25		\$ 141,501.40		\$ 144,366.81		\$ 147,290.24		\$ 150,972.49
Prop Tax Cur Unitary 1% Levy - (8035)				\$ 123,000.00		\$ 124,845.00		\$ 126,717.68		\$ 129,283.71		\$ 131,901.70		\$ 135,199.25
Prop Tax Pri Sec 1% Gen Tax Lvy - (8115)				\$ 51,250.00		\$ 52,018.75		\$ 52,799.03		\$ 53,868.21		\$ 54,959.04		\$ 56,333.02
Prop Tax Pri Unsec 1% Gen Tax - (8125)				\$ 5,125.00		\$ 5,201.88		\$ 5,279.90		\$ 5,386.82		\$ 5,495.90		\$ 5,633.30
Int & Pen Delinquent Taxes - (8145)				\$ 57,400.00		\$ 58,261.00		\$ 59,134.92		\$ 60,332.40		\$ 61,554.13		\$ 63,092.98
Special Assmt Pr. - (8155)				\$ 35,875.00		\$ 36,413.13		\$ 36,959.32		\$ 37,707.75		\$ 38,471.33		\$ 39,433.11
Special Assmt - (8160)				\$ 400,000.00		\$ 406,000.00		\$ 412,090.00		\$ 420,434.82		\$ 428,948.63		\$ 439,672.34
Supp Roll Current - (8230)				\$ 15,150.00		\$ 15,377.25		\$ 15,607.91		\$ 15,923.97		\$ 16,246.43		\$ 16,652.59
Supp Roll Prior - (8235)				\$ 12,300.00		\$ 12,484.50		\$ 12,671.77		\$ 12,928.37		\$ 13,190.17		\$ 13,519.92
Other Revenue														
Interest Earned - (8500)				\$ 2,000.00		\$ 2,030.00		\$ 2,050.30		\$ 2,070.80		\$ 2,091.51		\$ 2,112.43
Gen Tax Levy Homeowner Exm - (8800)				\$ 42,430.50		\$ 43,066.96		\$ 43,712.96		\$ 44,598.15		\$ 45,501.26		\$ 46,638.79
Ambulance Service Fees - (9470)				\$ 250,000.00		\$ 252,500.00		\$ 255,025.00		\$ 257,575.25		\$ 262,726.76		\$ 267,981.29
Other Revenue - (9970)				\$ 23,400.00		\$ 23,400.00		\$ 23,400.00		\$ 23,400.00		\$ 23,400.00		\$ 23,400.00
<b>Total Revenues</b>				<b>\$ 4,255,905.50</b>		<b>\$ 4,318,143.08</b>		<b>\$ 4,381,291.58</b>		<b>\$ 4,466,903.86</b>		<b>\$ 4,556,799.20</b>		<b>\$ 4,668,789.17</b>
<b>Total Revenues less Appropriations</b>				<b>\$ 93,623.25</b>		<b>\$ 58,188.01</b>		<b>\$ 27,336.15</b>		<b>\$ 22,290.47</b>		<b>\$ 8,327.78</b>		<b>\$ 9,047.03</b>

\*FMZ shared resource, stationed at F526

Note: S&B 14-16 MOU

Note: Step increase is based on 2.5%/year

Note: Step 6 begins the five year analysis, except the AO positions

Note: FF/PM is step 11 MPS+2

Note: AO is step 6 with MPS+1

Note: 1%, 1.5%, 2.025%, and 2.5% projected revenue increase

11/19/2014

August 17, 2012

Mr. Omar Aguilar, Firefighter  
Union President IAFF Local #4105  
P.O. Box 1553  
Crestline, CA 92325

Dear Omar:

In your role as the designated representative of the Crest Forest Fire Protection District (Crest Forest), we are providing you this update on the analysis the San Bernardino County Employees' Retirement Association (SBCERA) has performed for Crest Forest.

On June 14, 2012, representatives of Crest Forest including yourself, management, employees, and the President of the Crest Forest Board of Directors, as well as interested parties from the County of San Bernardino (County), met with counsel and me at SBCERA to discuss the possible withdrawal of Crest Forest from SBCERA and the consequences of Crest Forest no longer having employees, many or all of whom may be picked up by the San Bernardino County Fire Department (County Fire), by another SBCERA employer, or by some other non-SBCERA employer. During this meeting, we discussed several issues including the unfunded actuarial liability (UAL) for which Crest Forest is liable to SBCERA due to retirement benefits for Crest Forest employees and retirees. Since that time, you and I have also discussed the goals of this movement of employees to County Fire or another public entity, which are to cut Crest Forest annual expenditures and to help insure that all Crest Forest employees will have employment either with Crest Forest, County Fire or some other public entity. As a result, we have discussed these issues with SBCERA's actuary, The Segal Company (Actuary), and our counsel. With this as background, we are setting forth the following options for Crest Forest.

Option 1 – If Crest Forest wishes to withdraw all of its employees from membership in SBCERA, either through a layoff or some other personnel action, and if these former employees are no longer active members of SBCERA, that is, they are not picked up by County Fire or another SBCERA employer, then Crest Forest may do so by following the requirements of Government Code section 31564, and by paying for the UAL described in Government Code section

31564.2. Without conducting an actuarial study, the Actuary estimates that the Crest Forest UAL could be in excess of \$25 million. Government Code section 31564.2 allows the SBCERA Board of Trustees in its sole discretion to set up a payment schedule for the Crest Forest UAL, but such period of payment may not be longer than the period over which the plan's remaining UAL is being amortized, which period is twenty (20) years.

Option 2 – If Crest Forest lays off some or all of its employees, and if these SBCERA members are picked up as County Fire employees, and if they remain active SBCERA members, then the UAL associated with these former Crest Forest employees will be transferred to the County, which is another SBCERA employer. The Actuary estimates that if all Crest Forest employees are transferred, this will increase the County Safety employer contribution rate by an estimated 0.18% of payroll, or approximately \$400,000, annually. Under this option, the County would be responsible for any future employer contributions associated with these members, and the County would be taking on the risk associated with any potential future changes in UAL for these members, including active, deferred, and retired former Crest Forest employees. Of course, we do not know whether the County would agree to this option.

Option 3 – This option is similar to Option 2, except Crest Forest would contribute to SBCERA an estimated additional one-time payment amount of approximately \$4.9 million to the County Safety cost group, which would be necessary in order to avoid the increase in the County Safety employer contribution rate, estimated at approximately \$400,000 annually, as described above in option 2. Here, as is the case in option 2 above, the County would be responsible for any future employer contributions associated with these members, and the County would be taking on the risk associated with any potential future changes in UAL for these members, including active, deferred, and retired former Crest Forest employees. Again, we do not know whether the County would agree to this option.

Option 4 – If Crest Forest remains an SBCERA employer and lays off most, but not all, of its employees, and if these SBCERA members are not picked up as County Fire employees, then Crest Forest would still be liable for the UAL associated with these former Crest Forest employees. Depending on the specific facts in this scenario, the SBCERA Board of Retirement may treat this as an effective withdrawal under Government Code section 31564.2 and require Crest Forest to pay the full UAL associated with these former employees.

As we have discussed, if an actuarial study is needed to determine the UAL under any of these options, the study will be performed by the Actuary at a fee to Crest Forest of \$15,000 to \$20,000. Also, the estimates given in Options 2 and 3 are based on the June 30, 2011 actuarial valuation of SBCERA, at which time

ORIGINAL

Re: Crest Forest Fire Protection District  
August 17, 2012  
Page 3

Crest Forest had 24 employees. If either of these options is pursued, the estimates would be adjusted according to the current number of employees.

The SBCERA Board of Trustees has directed that copies of this letter be furnished to the San Bernardino County Fire Department, County Administrative Office and County Special Districts Department.

If you have any further questions, please provide those in correspondence directed to my attention.

Sincerely,



Norman L. Ruggles  
Chief Executive Officer

Cc: Mark Hartwig, Fire Chief  
County Fire Department

Gary McBride, Deputy Executive Officer  
County Administrative Office

Jeff Rigney, Director  
County Special Districts Department



THE SEGAL COMPANY  
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October 5, 2012

Mr. Norm Ruggles  
Chief Executive Officer  
San Bernardino County Employees' Retirement Association  
348 W Hospitality Lane, Third Floor  
San Bernardino, CA 92415-0014

**Re: San Bernardino County Employees' Retirement Association  
Crest Forest Fire Protection District Termination Study –  
Termination as of November 30, 2012**

Dear Norm:

As authorized by the Board of Retirement, we have estimated the Crest Forest Fire Protection District ("The District") obligation to SBCERA if the District were to terminate its participation agreement with SBCERA at the proposed termination date of November 30, 2012.

#### **TERMINATION CONDITIONS**

The District anticipates that all active members would cease accruing service credit on November 30, 2012 and would become terminated vested or non-vested members (without reciprocal benefits) with SBCERA depending on their total service credit. It is our understanding that the District will not be contracting with CalPERS or other reciprocal agencies to provide benefits for future service. SBCERA would retain the obligation to provide benefits to the District's retirees as of the termination date as well as to any members with deferred benefits.

As noted above, we have used a target date of termination of November 30, 2012.

#### **DATA USED IN THIS CALCULATION**

This study is based on the information we collected and calculated in our most recent actuarial valuation for SBCERA as of June 30, 2011. In this study, we have determined a proportional share of the assets for the District as of June 30, 2011 by following the same procedures used in recent termination studies for SBCERA. As detailed below, that methodology is used for determining the assets for all benefits except those provided by the Survivor Benefit Reserve.

Benefits, Compensation and HR Consulting Offices throughout the United States and Canada



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In order to determine the District's assets and liabilities as of November 30, 2012, we have also collected the following additional information from SBCERA:

1. Actual net market value rate of return information from July 1, 2011 through June 30, 2012 and estimated net market value rate of return information from July 1, 2012 through August 31, 2012.
2. Actual contributions made by the District and its employees for the period from July 1, 2011 to August 31, 2012.
3. Actual benefit payments made by SBCERA to employees, retirees and beneficiaries of the District from July 1, 2011 to August 31, 2012.
4. Data on all members from the District as of August 31, 2012.

Based on the above information, we have projected the allocated assets of the District from July 1, 2011 to November 30, 2012. In our projection, we assumed that the District's contributions and benefit payments for the month of August 2012 will continue at those same monthly rates through November 2012.

The assets have been projected using a return of 3.75% for the period from July 1, 2011 through November 30, 2012. This is the actual rate of return of 1.84% on the market value of assets from July 1, 2011 through August 31, 2012 as reported to us by SBCERA, plus an estimated 1.88% return for period from September 1, 2012 through November 30, 2012, which is consistent with the assumption used in the June 30, 2011 actuarial valuation (7.75% per year).

For benefits provided by the Survivor Benefit Reserve, a similar methodology was applied except that (1) the assets were allocated in proportion to the relative Actuarial Accrued Liability of the District and the entire plan based on the funded status of the Survivor Benefits as of June 30, 2011 and (2) the assets were projected using a rate of return of 7.75% per annum for the period from July 1, 2011 through November 30, 2012 (consistent with the interest that this reserve is credited with on an annual basis).

#### **FUNDING OBLIGATION SETTLEMENT CONDITIONS**

Our recent studies for other SBCERA terminating employers describe the market based approach used in determining the District's funding obligation as of the termination date. Under this approach, there would be no reassessment of the benefit liability after the District's termination date of November 30, 2012.

This approach dictates the use of the market value of assets and requires a valuation of the liabilities on a market-consistent basis. Under this approach, the liabilities for retirees and terminated members will be calculated using all the same actuarial assumptions utilized in the

June 30, 2011 actuarial valuation except that future benefit payments will be discounted to the present date using market based interest rate assumptions. The market based interest assumptions for this purpose are the discount rates used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer who is terminating its single-employer defined benefit pension plan. The rates used by the PBGC for discounting expected benefit payments from pension plans terminating in October 2012 are 3.07% per annum for the next 20 years and 3.00% per annum, thereafter. These rates will be based on the actual November 2012 rates if termination does occur on November 30, 2012.

### **RESULTS AND METHODOLOGY USED IN CALCULATION**

The results under the "Market Valuation" approach are shown in Attachment A. We have determined that the District's funding obligation as of the proposed determination date using the "Market Valuation" approach is \$33,102,477 in unfunded liability for all benefits except those provided by the Survivor Benefit Reserve.

In addition, we have determined that the District's funding obligation as of the proposed determination date is \$3,601 in unfunded liability for benefits provided by the Survivor Benefit Reserve. Thus, the District's total funding obligation is \$33,106,078.

Any net unfunded liabilities are generally required to be paid by the District as a lump sum, although the Board of Retirement may have the authority to allow for the obligation to be paid for over a period of installments. We defer to SBCERA's legal counsel on whether an installment period is legal. If it is legal, then we can provide information on the payments that would be required over various possible installment periods.

These calculations were based on the June 30, 2011 actuarial valuation results for SBCERA, rate of return information and assumptions from July 1, 2011 through November 30, 2012 and data noted earlier for contributions, benefit payments, and District membership. The June 30, 2011 actuarial valuation, and these calculations, were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

These calculations will need to be updated again once the June 30, 2012 actuarial valuation is completed and actual investment and demographic experience through November 30, 2012 is available. The results will change based on the June 30, 2012 valuation and actual experience from September 2012 through November 2012.

If there is a significant delay in the payment of the funding obligation, then we recommend that the funding obligation be adjusted to reflect interest until the actual payment date.

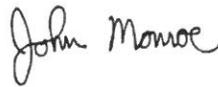
Mr. Norm Ruggles  
October 5, 2012  
Page 4

The undersigned are Members of the American Academy of Actuaries and meet the qualification requirements to render the actuarial opinion contained herein.

Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA  
Senior Vice President & Actuary



John Monroe, ASA, MAAA, EA  
Vice President & Associate Actuary

AW/bqb  
Enclosures

# ATTACHMENT A

**ATTACHMENT A - "Market Valuation" Method – For All Benefits Except Those Provided by the Survivor Benefit Reserve**

**Table 1 Determination of Projected Accumulated Assets for Crest Forest Fire Protection District as of 11/30/2012**

**A Determination of Accumulated Assets**

1	Actuarial Accrued Liability of Crest Forest Fire Protection District as of 6/30/2011 (See Table 3)	21,880,119
2	Unfunded Actuarial Accrued Liability (See Table 3)	8,673,968
3	Actuarial Value of Assets of the District as of 6/30/2011 (Item 1 – Item 2)	13,206,151
4	Determination of Projected Change in Assets From 7/1/2011 to 11/30/2012	
	i. Estimated Employer Contributions	1,774,528
	ii. Estimated Member Contributions	262,142
	iii. Estimated Benefits Paid	(1,192,367)
	iv. Total	844,303
5	Determination of Projected Market Value of Assets of the District as of 11/30/2012	13,826,354
	Projected Assets = (Item 3) * Ratio A * (1+j) + Item 4 * (1+j/2)	
	Where:	
	i. Ratio A = Ratio of Market Value to Actuarial Value of Assets (See Section B for Development of Ratio A)	0.946344
	ii. j = Assumed return on Market Value of Assets (See Section C for Development of j)	3.75%

**Table 1 (Cont'd)**

**B** Development of Ratio A

	Ratio A = Total SBCERA Market Value of Assets Net of Current Liabilities / Total SBCERA Actuarial Value of Assets Net of Current Liabilities	
1	Total SBCERA Market Value of Assets Net of Current Liabilities As of 6/30/2011	6,136,573,589
2	Total SBCERA Actuarial Value of Assets Net of Current Liabilities As of 6/30/2011	6,484,506,557
3	Ratio A (Item 1 / Item 2)	0.946344

**C** Development of Return on Market Value From 7/1/2011 to 6/30/2012

1	Actual Return on Market Value From 7/1/2011 to 6/30/2012 <sup>(1)</sup>	0.52%
2	Actual Return on Market Value From 7/1/2012 to 8/31/2012 <sup>(2)</sup>	1.31%
3	Assumed Return on Market Value From 9/1/2012 to 11/30/2012 <sup>(3)</sup>	1.88%
4	Assumed Return on Market Value "j" From 7/1/2011 to 11/30/2012 ((1 + Item 1) * (1 + Item 2) * (1 + Item 3) - 1)	3.75%

Note:  
 (1) Based on draft audited financial information provided by the Association.  
 (2) Based on unaudited financial information provided by the Association.  
 (3) Based on 7.75% per annum assumed rate of return.

**Table 2** Determination of Unfunded Liability using Termination Basis for Crest Forest Fire Protection District as of 11/30/2012

<b>Determination of Unfunded Liability</b>		
Step 1	11/30/2012 Present Value of Future Benefits	
a	Total Liabilities <sup>(1)</sup>	46,928,831
Step 2	Unfunded Liability	
a	Projected Assets as of 11/30/2012 (See Table 1A, Item 5)	13,826,354
b	Projected Liabilities (Item 1a)	46,928,831
c	Unfunded Liability or (Net Asset)	33,102,477

Note:  
 (1) The interest rates used in discounting future payments are based on the PBGC rates for October 2012 (3.07% for 20 years; 3.00% thereafter).

**Table 3 Determination of Unfunded Actuarial Accrued Liability for Crest Forest Fire Protection District as of 6/30/2011**

1	Actuarial Accrued Liability of Crest Forest Fire Protection District as of 06/30/2011	
	Active Members	9,959,264
	Retirees, Beneficiaries and Deferred Members	11,920,855
	Total	<u>21,880,119</u>
2	Determination of Unfunded Actuarial Accrued Liability (UAAL)	
i	Crest Forest Fire Protection Contribution Requirement Towards UAAL	
ii	Annual Payroll for 2011/2012 Plan Year	<u>54,706</u>
iii	UAAL Contribution Rate (% of Pay) – Before Reflecting Phase-in	16.06%
iv	Amortization Factor (ratio of UAAL payment to UAAL for cost group)	0.087696
	i * ii / iii	<u>100,185</u>
	Total	<u>100,185</u>
		<b>General Members</b>
		2,311,042
		33.15%
		0.089355
		<u>8,573,783</u>
		<b>Safety Members</b>
		8,673,968

**Table 4 Determination of Employer and Member Contributions and Benefit Payments From 7/1/2011 to 11/30/2012**

1	<b>Employer and Member Contributions From 7/1/2011 to 11/30/2012<sup>(1)</sup></b>	Employer Contributions	Member Contributions
2	Actual Contributions From 7/1/2011 to 8/31/2012	1,444,715	224,238
3	Projected Contributions From 9/1/2012 to 11/30/2012 <sup>(2)</sup>	<u>329,813</u>	<u>37,905</u>
	Total Contributions From 7/1/2011 to 11/30/2012	1,774,528	262,142
1	<b>Benefit Payments From 7/1/2011 to 11/30/2012<sup>(1)</sup></b>	Total Benefits	
2	Actual Payments From 7/1/2011 to 8/31/2012	982,325	
3	Projected Payments From 9/1/2012 to 11/30/2012 <sup>(2)</sup>	<u>210,042</u>	
	Total Payments From 7/1/2011 to 11/30/2012	1,192,367	
	Note:		
	(1)		
	(2)		
	Excludes Survivor Benefit contributions and benefit payments.		
	We use actual contributions and benefit payments made through 8/31/2012. Contributions and benefit payments after 8/31/2012 have been projected assuming the same amount paid in August 2012 will continue through 11/30/2012.		

# CREST FOREST FIRE PROTECTION DISTRICT FINAL BUDGET 2014-2015

*August 19, 2014*

BOARD OF DIRECTORS

Chuck Gibbs, President  
Robert Goss, Vice, President  
Leslie Dodge-Taylor, Director  
Jerry Ringhofer Jr., Director  
Punch Ringhofer Sr., Director



An All-Risk Community  
Emergency Response  
Partnership

1	Budget Message, Organization Chart, Annual Contract
2	MCC - Paramedic Salary Reserve
3	MCE - Paramedic Program
4	MCF - Equipment/Vehicles
5	MCG - General Fire
6	MCI - Structures/Land
7	MCK - General Salary Reserve
8	MCL - Paramedic Equipment/Vehicle
9	MCW - Fire Prevention
10	MCR - Safer Act Grant
11	Vehicle Replacement Schedule
12	BLANK

# **BUDGET MESSAGE**

**August 19, 2014**

## **PURPOSE:**

This budget message was prepared for the Crest Forest Fire Protection District (CFFPD) Board of Directors to clearly present the responsibilities, operations, assets, liabilities, revenues, and expenses of the District. It is hoped that the budget message and associated budget pages will explain why we do what we do and the service level implications of the fiscal choices of the Board.

This presentation of the Final Budget for FY 2014-15 CFFPD budget represents a clear fiscal plan to sustain fire, EMS, transport, disaster, and other related District services through a ten year service contract with the San Bernardino County Fire Department. This contract for services went into effect July 13, 2013 and will cost approximately \$4.3 million dollars per year. Revenues are expected to remain flat for the current FY 2014/15. Through this contract, the Crest Forest Fire District will regain a full staffing level of a Fire Chief, Division Chief, 3 Battalion Chiefs, 6 Captains, 6 Engineer Paramedics, 3 Limited Term Firefighters and 3 Limited Term Firefighter Paramedics. Examples of other services also provided by County Fire are training, fire prevention, OES, hazardous materials, ambulance transport and fiscal services.

*There will be no fund balances or reserve amounts remaining from any operating or reserve funds for Fiscal Year 2014-2015.*

## **MAJOR EXPENDITURES AND REVENUE IN 2013-14 ADOPTED BUDGET:**

Requirements of \$4.4 million include contract expenses of \$4.3 million which makes up the majority of the expenditures in this budget unit and fully funds 18 budgeted positions and 4 partial Chief as well as Paid Call Firefighters. These expenses are necessary to provide fire protections, paramedic, and administrative services to the community of Crestline and outlying areas. Additionally, operating expenses of \$100,000 support the operations of 2 full time and 4 paid call fire stations including the costs related to the facilities, equipment, vehicle services, and services and supplies. The most significant sources of revenue for the Crest Forest Fire District are property taxes of \$3.4 million, followed by paramedic special assessments of \$494,000 and ambulance service fees of \$250,000.

## **THE DISTRICT:**

The Crest Forest Fire Protection District (CFFPD) provides a variety of services to the communities of Agua Fria, Cedar Pines Park, Crestline, Lake Gregory, Rim Forest, Twin Peaks, Valley of Enchantment, and parts of Blue Jay. The District resident population served is approximately 20,000, while the summertime population may double with vacationers.

The District operates from the main 24 hour staffed station, with administrative offices, in Crestline (Station 25); a second 24 hour staffed station at Twin Peaks (Station 26); and four other paid call (PCF) fire stations at Cedar Pines Park (Station 24), Lake Gregory (Station 29), Rim Forest (Station 30), and Valley of Enchantment (Station 28), and one additional PCF company runs out of Station 26. Station 24 is being used for storage.

Initial response to areas covered by the District boundaries, approximately 23 square miles, are started from the two 24 hour staffed stations, depending on the type and location of the call and will be backed up by other county fire engines.

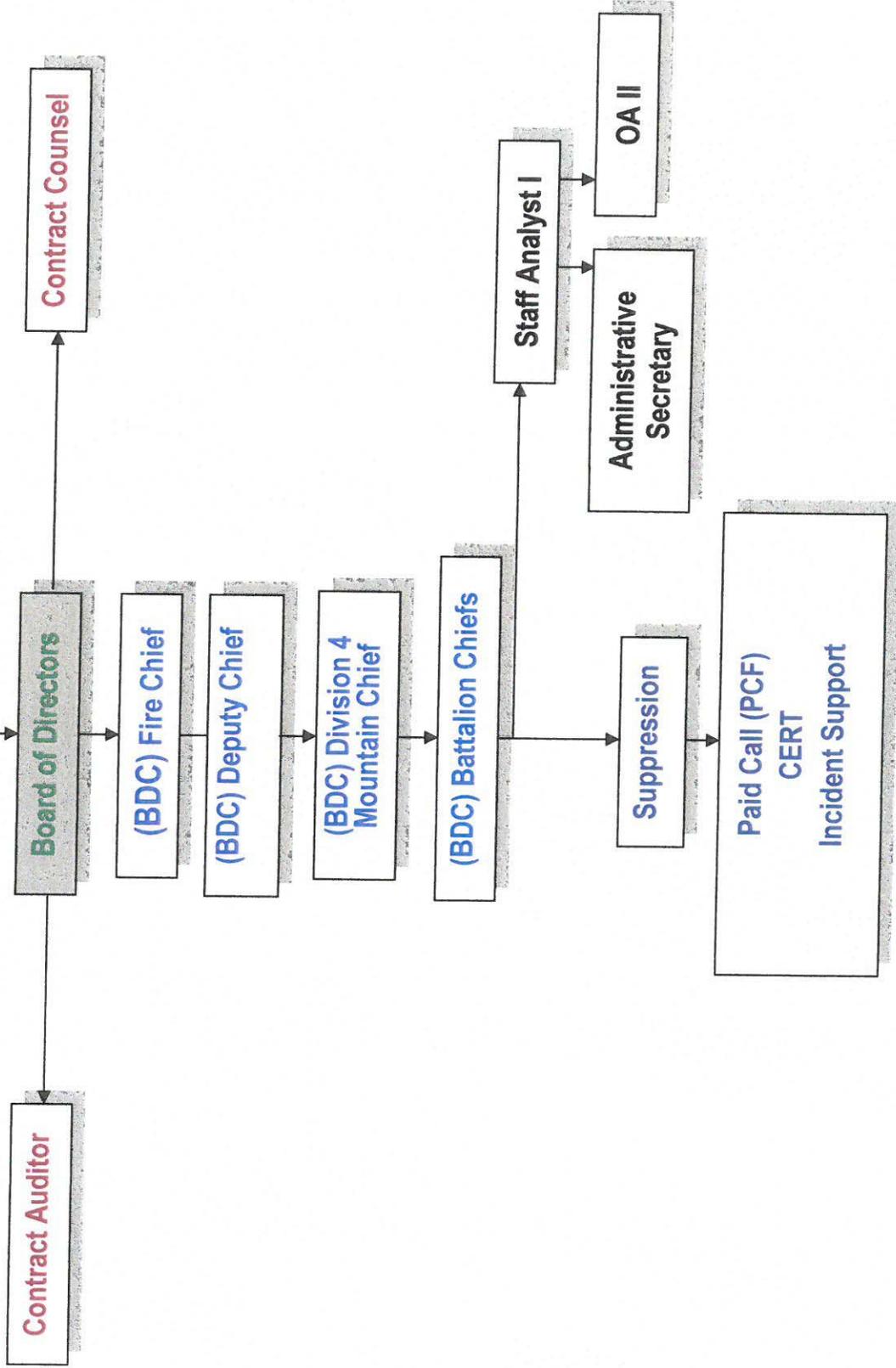
The District operates a total fleet of emergency response vehicles valued at just under three million dollars. The fleet consists of five fire engines, one brush engine, four ambulances, one snow cat, one front loader, one water tender, one staff vehicle, two response brush patrols,

one utility truck, a mechanic's vehicle, and a support services van. Various specialized equipment supports the emergency response system as well. This equipment includes, but is not limited to, firefighting safety clothing, radios, self-contained breathing apparatus, extrication equipment, medical equipment, pumps, hose, ladders, fittings, extinguishers, hand tools, over-the-side rescue rope, and lighting equipment.

# Crest Forest Fire Protection District

## Organization Chart

Revised: July 2013



**Crest Forest Fire Protection District - Final Contract Annual Budget**

4/15/2014

<b>Salaries and Benefits</b>	<b>Number of Positions</b>	<b>Average Cost Per Position</b>	<b>SBCFPD Proposed Existing Staffing</b>
<b>Suppression</b>			
Captain	6	183,234	1,099,404
Engineer/PM	6	162,298	973,788
LT Fire Fighters	3	42,710	128,130
LT Fire Fighters/PM	3	47,596	142,788
<b>Suppression Total</b>	<u>18</u>		<u>\$ 2,344,110</u>
<b>Non-Suppression</b>			
Administrative Secretary	1	63,872	63,872
<b>Non-Suppression Total</b>	<u>1</u>		<u>\$ 63,872</u>
<b>PCF (position FTEs)</b>	4	15,000	11,812
<b>PCF Total</b>	<u>4</u>		<u>\$ 11,812</u>
<b>Worker's Comp (now added to employee cost)</b>			\$ -
<b>Chief Officers (23.96%)</b>			
SBCFPD Division Chief	1	248,334	59,501
Battalion Chief	3	273,007	196,237
<b>Chief Officers Total</b>	<u>4</u>		<u>\$ 255,738</u>
<b>CFFPD Chief Officer Differential</b>			
			\$ 23,000
<b>Total Salaries and Benefits</b>	<u>27</u>		<u>\$ 2,698,532</u>
<b>Operating Expenses</b>			
Services and Supplies			345,238
<b>Station Expenses</b>			
C025			256,836
C026			149,603
Debt Service			7,500
Lease Purchase Structure			185,590
<b>Total Operating Expenses</b>			<u>\$ 944,767</u>
<b>Contract Management Fee</b>			228,886
<b>SBCERA</b>			426,855
<b>Total Annual Requirements</b>			<u>\$ 4,299,040</u>

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
PARAMEDIC GENERAL SALARY RESERVE (MCE)**

**MCC 775**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
<b>Funding Requirements</b>			
Regular Salary	\$ -	\$ -	\$ -
Overtime	\$ -	\$ -	\$ -
Retirement	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ -	
General Reserve		\$ -	
Operating Transfers OUT to MCG	\$ 6,894	\$ 6,894	\$ 12
<b>TOTALS</b>	<b>\$ 6,894</b>	<b>\$ 6,894</b>	<b>\$ 12</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ -	\$ 12	
Fund Balance	\$ 6,894	\$ 6,894	\$ 12
Operating Transfers IN	\$ -	\$ -	
<b>TOTALS</b>	<b>\$ 6,894</b>	<b>\$ 6,906</b>	<b>\$ 12</b>

**Fiscal Year 2014-15  
FINAL BUDGET  
MCC - 775 PARAMEDIC GENERAL/SALARY RESERVE (MCE)**

EXPENDITURES	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
5030 Operating Transfers Out	\$ 6,894	\$ 6,894	\$ 12
6005 General Reserve			
	-----	-----	-----
TOTAL EXPENDITURES	\$ 6,894	\$ 6,894	\$ 12

REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8500 Interest	\$ -	\$ 12	\$ -
9975 Operating Transfers IN	\$ -	\$ -	\$ -
9984 Other - From Auditor	\$ -	\$ -	\$ -
FUND BALANCE	\$ 6,894	\$ 6,894	\$ 12
	-----	-----	-----
TOTAL REVENUES	\$ 6,894	\$ 6,906	\$ 12

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
FIRE BUDGET EQUIPMENT/VEHICLES OR GENERAL RESERVE**

**MCE 775**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
<b>Funding Requirements</b>			
Regular Salary	\$ 8,642	\$ -	\$ -
Group Insurance	\$ -	\$ 8,642.36	\$ -
Other Gen. Liability	\$ 3,389	\$ 3,389	\$ -
Professional Services	\$ 3,754	\$ 8,376	\$ -
Medical Expense	\$ 2,349	\$ 2,433	\$ -
Equipment Maintenance	\$ 686	\$ 686	\$ -
Automotive - Fuel	\$ 1,397	\$ 1,911	\$ -
Training	\$ 160	\$ 160	\$ -
Debt Service	\$ -	\$ 705	\$ -
Operating Transfers OUT to MCG	\$ 834,321	\$ 600,000	\$ 909,012
<b>TOTALS</b>	<b>\$ 854,698</b>	<b>\$ 626,302</b>	<b>\$ - \$ 909,012</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ 1,000	\$ 1,051	\$ 1,000
Other Revenue	\$ 816,557	\$ 752,123	\$ 744,000
Fund Balance/CASH	\$ 37,141	\$ 37,141	\$ 164,012
<b>TOTALS</b>	<b>\$ 854,698</b>	<b>\$ 790,314</b>	<b>\$ 909,012</b>

**Fiscal Year 2014-15  
FINAL BUDGET  
MCE - 775 EQUIPMENT/VEHICLES OR GENERAL RESERVE  
FIRE BUDGET**

4000-6000 SERIES EXPENDITURES	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
1010 Regular Salary	\$ 8,642	\$ -	\$ -
1200 Group Insurance	\$ -	\$ 8,642.36	\$ -
2220 Other Gen. Liability	\$ 3,389	\$ 3,389	\$ -
2445 Professional Services	\$ 3,754	\$ 8,376	\$ -
2840 Medical Expense	\$ 2,349	\$ 2,433	\$ -
2855 Equipment Maintenance	\$ 686	\$ 686	\$ -
2930 Automotive - Fuel	\$ 1,397	\$ 1,911	\$ -
2941 Training	\$ 160	\$ 160	\$ -
3330 Debt Service	\$ -	\$ 705	\$ -
5030 Operating Transfers Out	\$ 834,321	\$ 600,000	\$ 909,012
	-----	-----	-----
TOTAL EXPENDITURES	\$ 854,698	\$ 626,302	\$ 909,012

REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8145 Int. & Pen. De.	\$ 12,102	\$ 14,499	\$ 13,000
8155 Spec Assmt Pr.	\$ 33,766	\$ 34,852	\$ 35,000
8160 Spec. Assmt	\$ 440,689	\$ 445,402	\$ 446,000
8500 Interest	\$ 1,000	\$ 1,051	\$ 1,000
9470 Ambulance	\$ 330,000	\$ 257,470	\$ 250,000
9970 Other	\$ -	\$ (100)	\$ -
FUND BALANCE/CASH	\$ 37,141	\$ 37,141	\$ 164,012
	-----	-----	-----
TOTAL REVENUES	\$ 854,698	\$ 790,314	\$ 909,012

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
FIRE BUDGET EQUIPMENT/VEHICLES OR GENERAL RESERVE**

**MCF 775**

Funding Requirements	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
Vehicles	\$ 55,713	\$ -	\$ 140
Operating Transfers OUT to MCG	\$ 114,715	\$ 114,715	\$ 55,963
<b>TOTALS</b>	<b>\$ 170,428</b>	<b>\$ 114,715</b>	<b>\$ 56,103</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ -	\$ 390	\$ -
Fund Balance/CASH	\$ 170,428	\$ 170,428	\$ 56,103
<b>TOTALS</b>	<b>\$ 170,428</b>	<b>\$ 170,818</b>	<b>\$ 56,103</b>

**Fiscal Year 2014-15**  
**FINAL BUDGET**  
**MCF - 775 EQUIPMENT/VEHICLES OR GENERAL RESERVE**  
**FIRE BUDGET**

4000-6000 SERIES EXPENDITURES	2013-14 CURRENT BUDGET -----	2013-14 ACTUAL EXPENDITURES -----	2014-15 FINAL BUDGET -----
4050 Vehicles	\$ 55,713	\$ -	\$ 140
5030 Operating Transfers Out	\$ 114,715	\$ 114,715	\$ 55,963
TOTAL EXPENDITURES	\$ 170,428	\$ 114,715	\$ 56,103
REVENUE	2013-14 CURRENT BUDGET -----	2013-14 ACTUAL REVENUE -----	2014-15 FINAL BUDGET -----
8500 Interest	\$ -	\$ 390	\$ -
FUND BALANCE/CASH	\$ 170,428	\$ 170,428	\$ 56,103
TOTAL REVENUES	\$ 170,428	\$ 170,818	\$ 56,103

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
FIRE BUDGET EQUIPMENT/VEHICLES OR GENERAL RESERVE**

**MCG 775**

Funding Requirements	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
Regular Salary	\$ 599,551	\$ 579,673	\$ -
Term Benefits	\$ 48,744	\$ -	\$ 48,744.00
Employee group insur.	\$ -	\$ 21,641	\$ -
Unemployment Ins	\$ -	\$ 12,553	\$ 6,000.00
Safety Clothing	\$ (1,607)	\$ (2,075)	\$ -
Communications	\$ 11,032	\$ -	\$ -
Food	\$ 140	\$ 140	\$ -
Publication	\$ 268	\$ 361	\$ -
Computer Software	\$ -	\$ 1,260	\$ -
Small Tools	\$ 147	\$ 147	\$ -
Special Dept Expense	\$ 20,000	\$ 15,264	\$ 38,000
Utilities	\$ 8,147	\$ 8,147	\$ -
Other Gen. Liability	\$ 16,548	\$ 16,548	\$ 17,500
Office Expense/Staples	\$ -	\$ 71	\$ -
General Office Expense	\$ 223	\$ 223	\$ -
Auditing	\$ 6,000	\$ 5,700	\$ 6,000
County Services/CowCap	\$ -	\$ 4,678	\$ -
Professional Services	\$ 3,996,653	\$ 4,037,555	\$ 4,299,040
Equipment Maintenance	\$ -	\$ 2,382	\$ 26,347
Equip Distr	\$ -	\$ 35	\$ -
Structure Maint Expense	\$ 219	\$ 1,680	\$ -
Equipment Rental	\$ 343	\$ 343	\$ -
Automotive - Fuel	\$ (1,397)	\$ (749)	\$ -
Debt Service-TTF Interest	\$ -	\$ 3,422	\$ 3,500
Equipment Fixed Asset - Monitors	\$ -	\$ -	\$ 85,000
Contingency	\$ 87,177	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 4,792,188</b>	<b>\$ 4,708,999</b>	<b>\$ - \$ 4,530,131</b>

**Funding Sources**

Taxes	\$ 3,461,997	\$ 3,497,579	\$ 3,446,000
State Other	\$ -	\$ 7,628	\$ -
Use of Money (Interest)	\$ 2,899	\$ 2,095	\$ 2,000
Other Services	\$ (30,000)	\$ (30,978)	\$ (30,000)
Other Services Sale Surplus Prop	\$ -	\$ 129,831	\$ 1,800
Other Revenue	\$ 2,760	\$ 8,323	\$ 26,160
Operating Transfer In	\$ 1,228,081	\$ 1,037,021	\$ 1,015,220
Fund Balance/CASH	\$ 126,450	\$ 126,450	\$ 68,951
<b>TOTALS</b>	<b>\$ 4,792,187</b>	<b>\$ 4,777,949</b>	<b>\$ - \$ 4,530,131</b>

**Fiscal Year 2014-15  
FINAL BUDGET  
MCG - 775 EQUIPMENT/VEHICLES OR GENERAL RESERVE  
FIRE BUDGET**

4000-6000 SERIES EXPENDITURES	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
1010 Regular Salary	\$ 599,551	\$ 579,673	\$ -
1045 Term Benefits	\$ 48,744	\$ -	\$ 48,744.00
1200 Employee group insur.	\$ -	\$ 21,641	\$ -
1210 Unemployment Ins	\$ -	\$ 12,553	\$ 6,000.00
2025 Safety Clothing	\$ (1,607)	\$ (2,075)	\$ -
2035 Communications	\$ 11,032	\$ -	\$ -
2070 Food	\$ 140	\$ 140	\$ -
2080 Publication	\$ 268	\$ 361	\$ -
2115 Computer Software	\$ -	\$ 1,260	\$ -
2120 Small Tools	\$ 147	\$ 147	\$ -
2135 Special Dept Expense	\$ 20,000	\$ 15,264	\$ 38,000
2180 Utilities	\$ 8,147	\$ 8,147	\$ -
2220 Other Gen. Liability	\$ 16,548	\$ 16,548	\$ 17,500
2304 Office Expense/Staples	\$ -	\$ 71	\$ -
2305 General Office Expense	\$ 223	\$ 223	\$ -
2405 Auditing	\$ 6,000	\$ 5,700	\$ 6,000
2415 County Services/CowCap	\$ -	\$ 4,678	\$ -
2445 Professional Services	\$ 3,996,653	\$ 4,037,555	\$ 4,299,040
2855 Equipment Maintenance	\$ -	\$ 2,382	\$ 26,347
2865 Equip Distr	\$ -	\$ 35	\$ -
2870 Structure Maint Expense	\$ 219	\$ 1,680	\$ -
2895 Equipment Rental	\$ 343	\$ 343	\$ -
2930 Automotive - Fuel	\$ (1,397)	\$ (749)	\$ -
3330 Debt Service-TTF Interest	\$ -	\$ 3,422	\$ 3,500
4040 Equipment Fixed Asset - Monitors	\$ -	\$ -	\$ 85,000
6000 Contingency	\$ 87,177	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,792,188</b>	<b>\$ 4,708,999</b>	<b>\$ 4,530,131</b>
	-----	-----	-----
REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8015 Property Tax Current Sec	\$ 2,973,903	\$ 3,015,333	\$ 3,025,000
8025 Property Tax Current Unsec	\$ 134,926	\$ 133,937	\$ 134,000
8800 General Tax Levy	\$ 43,391	\$ 41,794	\$ 42,000
8035 Property Tax Current Utilities	\$ 110,249	\$ 124,055	\$ 120,000
8235 Supplemental Roll Prior	\$ 11,454	\$ 12,836	\$ 12,000
8230 Supplemental Roll Current	\$ 3,519	\$ 26,521	\$ 15,000
8115 Property Tax Prior Secured	\$ 140,607	\$ 51,127	\$ 50,000
8125 Property Tax Prior Unsecured	\$ 5,701	\$ 4,750	\$ 5,000
8145 Int. & Pen. Delinquent	\$ 43,452	\$ 43,067	\$ 43,000
8176 5% Supplemental A	\$ (5,205)	\$ (2,501)	\$ -
8191 Tax Sale EX	\$ -	\$ 46,776	\$ -
8840 State other - Fire Reimb	\$ -	\$ 7,628	\$ -
8500 Interest	\$ 2,899	\$ 2,095	\$ 2,000
9800 Other Services	\$ (30,000)	\$ (30,978)	\$ (30,000)
9255 Assesment Tax Collection	\$ -	\$ (117)	\$ -
9930 Other Services-sale surplus property	\$ -	\$ 129,831	\$ 1,800
9970 Other Rev CSA38 Contract + Cell Tower	\$ 2,760	\$ 8,323	\$ 26,160
9975 Operating Transfers IN	\$ 1,228,081	\$ 1,037,021	\$ 1,015,220
FUND BALANCE/CASH	\$ 126,450	\$ 126,450	\$ 68,951
<b>TOTAL REVENUES</b>	<b>\$ 4,792,187</b>	<b>\$ 4,777,949</b>	<b>\$ 4,530,131</b>

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
STRUCTURES/LAND OR GENERAL RESERVE**

**MCI 775**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
<b>Funding Requirements</b>			
Structures & Improvements	\$ 50,000	\$ -	\$ 132
Operating Transfers OUT to MCG	\$ 125,639	\$ 125,639	\$ 50,245
<b>TOTALS</b>	<b>\$ 175,639</b>	<b>\$ 125,639</b>	<b>\$ 50,377</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ -	\$ 377	\$ -
Fund Balance/CASH	\$ 175,639	\$ 175,639	\$ 50,377
Operating Transfers IN	\$ -	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 175,639</b>	<b>\$ 176,016</b>	<b>\$ 50,377</b>

**FY 2014-15  
FINAL BUDGET  
MCI - 775    STRUCTURES/LAND OR GENERAL RESERVE**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
4030 Structures/Improvements	\$ 50,000	\$ -	\$ 132
5030 Operating Tranfers OUT	\$ 125,639	\$ 125,639	\$ 50,245
	-----	-----	-----
<b>TOTAL EXPENDITURES:</b>	<b>\$ 175,639</b>	<b>\$ 125,639</b>	<b>\$ 50,377</b>

REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8500 Interest	\$ -	\$ 377	\$ -
9975 Operating Transfers IN	\$ -	\$ -	\$ -
FUND BALANCE	\$ 175,639	\$ 175,639	\$ 50,377
	-----	-----	-----
<b>TOTAL REVENUES</b>	<b>\$ 175,639</b>	<b>\$ 176,016</b>	<b>\$ 50,377</b>

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
GENERAL SALARY RESERVE (MCG)  
FIRE BUDGET**

**MCK 775**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
<b>Funding Requirements</b> -----			
Operating Transfers OUT to MCG	\$ 29,836	\$ 29,836	\$ 53
General Reserve	\$ -	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 29,836</b>	<b>\$ 29,836</b>	<b>\$ 53</b>
<b>Funding Sources</b> -----			
Use of Money (Interest)	\$ -	\$ 53	\$ -
Fund Balance	\$ 29,836	\$ 29,836	\$ 53
Operating Transfers IN	\$ -	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 29,836</b>	<b>\$ 29,889</b>	<b>\$ 53</b>

**FY 2014-15**  
**FINAL BUDGET**  
**MCK- 775 GENERAL/SALARY RESERVE (MCG)**  
**FIRE BUDGET**

EXPENDITURES	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
5030 Operating Transfers Out	\$ 29,836	\$ 29,836	\$ 53
6005 General Reserve	\$ -	\$ -	\$ -
	-----	-----	-----
TOTAL EXPENDITURES	\$ 29,836	\$ 29,836	\$ 53
REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8500 Interest	\$ -	\$ 53	\$ -
9975 Operating Transfers IN	\$ -	\$ -	\$ -
9970 Other	\$ -	\$ -	\$ -
FUND BALANCE	\$ 29,836	\$ 29,836	\$ 53
	-----	-----	-----
TOTAL REVENUES	\$ 29,836	\$ 29,889	\$ 53

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
PARAMEDIC/EQUIPMENT VEHICLES OR GENERAL RESERVE**

**MCL 775**

Funding Requirements	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
Vehicles	\$ -	\$ -	\$ -
Operating Transfers OUT to MCG	\$ 24,825	\$ 24,825	\$ 44
<b>TOTALS</b>	<b>\$ 24,825</b>	<b>\$ 24,825</b>	<b>\$ 44</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ -	\$ 44	\$ -
Fund Balance/CASH	\$ 24,825	\$ 24,825	\$ 44
<b>TOTALS</b>	<b>\$ 24,825</b>	<b>\$ 24,869</b>	<b>\$ 44</b>

**FY 2014-15  
FINAL BUDGET  
MCL - 775 EQUIPMENT/VEHICLES OR GENERAL RESERVE  
MEDIC BUDGET**

6000 SERIES EXPENDITURES	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
4050 Vehicles	\$ -	\$ -	\$ -
5030 Operating Transfers Out to MCG	\$ 24,825	\$ 24,825	\$ 44
	-----	-----	-----
TOTAL EXPENDITURES	\$ 24,825	\$ 24,825	\$ 44
REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8500 Interest	\$ -	\$ 44	\$ -
9945 Contribution	\$ -	\$ -	\$ -
9975 Operating Transfers IN	\$ -	\$ -	\$ -
9970 Other Revenue	\$ -	\$ -	\$ -
FUND BALANCE	\$ 24,825	\$ 24,825	\$ 44
	-----	-----	-----
TOTAL REVENUES	\$ 24,825	\$ 24,869	\$ 44

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
FIRE PREVENTION**

**MCW 775**

	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
<b>Funding Requirements</b>			
Services & Supplies	\$ 2,603	\$ 155	\$ -
Operating Transfers OUT	\$ -	\$ -	\$ 2,608
<b>TOTALS</b>	<b>\$ 2,603</b>	<b>\$ 155</b>	<b>\$ 2,608</b>
<b>Funding Sources</b>			
Interest	\$ -	\$ 7	\$ -
Fund Balance	\$ 2,603	\$ 2,603	\$ 2,608
<b>TOTALS</b>	<b>\$ 2,603</b>	<b>\$ 2,610</b>	<b>\$ 2,608</b>

**2014-15 Final Budget  
MCW-775 Fire Prevention**

EXPENDITURES:	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
	-----	-----	-----
2135 Special Dept Expense	\$ 2,603	\$ -	
2445 Professional Svc	\$ -	\$ 155	\$ -
	-----	-----	-----
Total 2000 series expenditures	\$ 2,603	\$ 155	\$ -
5030 Operating Transfers Out	\$ -	\$ -	\$ 2,608
	-----	-----	-----
<b>TOTAL EXPENDITURES:</b>	<b>\$ 2,603</b>	<b>\$ 155 \$ -</b>	<b>\$ 2,608</b>
	-----	-----	-----
REVENUE	2013-14 CURRENT BUDGET	2013-14 ACTUAL REVENUE	2014-15 FINAL BUDGET
	-----	-----	-----
8500 Interest	\$ -	\$ 7	\$ -
<b>FUND BALANCE/CASH</b>	<b>\$ 2,603</b>	<b>\$ 2,603</b>	<b>\$ 2,608</b>
	-----	-----	-----
<b>TOTAL REVENUES:</b>	<b>\$ 2,603</b>	<b>\$ 2,610</b>	<b>\$ 2,608</b>

**BUDGET RECAP SHEET  
FISCAL YEAR 2014-15  
FIRE BUDGET EQUIPMENT/VEHICLES OR GENERAL RESERVE**

**MCR 775**

Funding Requirements	2013-14 CURRENT BUDGET	2013-14 ACTUAL EXPENDITURES	2014-15 FINAL BUDGET
Group Insurance	\$ -	\$ 1,933	
Operating Transfers OUT to MCG	\$ 91,851	\$ 91,851	\$ 58
<b>TOTALS</b>	<b>\$ 91,851</b>	<b>\$ 93,784</b>	<b>\$ 58</b>
<b>Funding Sources</b>			
Use of Money (Interest)	\$ -	\$ 77	\$ -
Other Revenue	\$ 71,624	\$ 71,624	\$ -
Fund Balance/CASH	\$ 20,227	\$ 20,227	\$ 58
<b>TOTALS</b>	<b>\$ 91,851</b>	<b>\$ 91,928</b>	<b>\$ 58</b>

**Fiscal Year 2014-15**  
**FINAL BUDGET**  
**MCR - 775 EQUIPMENT/VEHICLES OR GENERAL RESERVE**  
**FIRE BUDGET**

4000-6000 SERIES EXPENDITURES	2013-14 CURRENT BUDGET -----	2013-14 ACTUAL EXPENDITURES -----	2014-15 FINAL BUDGET -----
1200 Group Insurance	\$ -	\$ 1,933	
5030 Operating Transfers Out	\$ 91,851	\$ 91,851	\$ 58
	-----	-----	-----
TOTAL EXPENDITURES	\$ 91,851	\$ 93,784	\$ 58
	-----	-----	-----
REVENUE	2013-14 CURRENT BUDGET -----	2013-14 ACTUAL REVENUE -----	2014-15 FINAL BUDGET -----
8500 Interest	\$ -	\$ 77	\$ -
9970 Other Rev. - Grant Reimb	\$ 71,624	\$ 71,624	\$ -
FUND BALANCE/CASH	\$ 20,227	\$ 20,227	\$ 58
	-----	-----	-----
TOTAL REVENUES	\$ 91,851	\$ 91,928	\$ 58
	-----	-----	-----





# Crest Forest Fire Protection District

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June 17, 2014

Rich Blacker, General Manager  
Fire Agencies Insurance Risk Authority  
451 Airport Road, Suite C  
Novato, CA 94945

RE: Crest Forest Fire Notice

Dear Mr. Blacker;

Please accept this letter as the District's one year written notice to terminate coverage though FAIRA effective July 1, 2015. At the board meeting on June 17, 2014, the Crest Forest Board of Directors requested Local Agency Formation Commission (LAFCO) to take proceeding for a sphere of influence amendment and reorganization to begin the annexation process to San Bernardino County Fire and to move forward in dissolving the District.

If you have any questions, please contact Patti Forsythe at [pforsythe@sbcfire.org](mailto:pforsythe@sbcfire.org).

Sincerely,

A handwritten signature in blue ink that reads "Chuck Gibbs".

Chuck Gibbs  
Board President  
Crest Forest Fire Protection District

CG/pf



## Crest Forest Fire Protection District

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November 18, 2014

Kathleen Rollings-McDonald, Executive Officer  
LAFCO  
215 North "D" Street, Suite 204  
San Bernardino, CA 92415

RE: Request a reduction of fees

Dear Kathleen Rollings-McDonald;

The Crest Forest Fire Protect District contracted services with San Bernardino County Fire, July 2013, and continues to struggle in the economic recovery. The Board of Directors, recognizing it was exhausting all reserve funds, unanimously decided to begin the annexation process to San Bernardino County Fire.

The District is hard pressed to find additional revenue sources and respectfully request LAFCO's consideration in a reduction of fees in processing its annexation application.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Goss".

Robert Goss, Vice President  
Crest Forest Fire Board of Directors

RG:pf

**FOR OFFICIAL USE ONLY**



**SAN BERNARDINO COUNTY  
FIRE PROTECTION  
DISTRICT  
  
F A S  
  
STANDARD CONTRACT**

<input checked="" type="checkbox"/> New	FAS Vendor Code		Dept.	Contract Number			
<input type="checkbox"/> Change		<b>SC</b>	600	<b>A</b>			
<input type="checkbox"/> Cancel				<b>13-555</b>			
ePro Vendor Number			ePro Contract Number				
San Bernardino County Fire Protection District			Dept. 600	Orgn. C020			
Contract Representative			Contractor's License No.				
Mark A. Hartwig, Fire Chief			Total Contract Amount				
			\$40,530,020				
Contract Type							
<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:							
If not encumbered or revenue contract type, provide reason:							
Commodity Code	Contract Start Date	Contract End Date	Original Amount	Amendment Amount			
	7/12/13	6/30/2023	\$40,530,020	\$			
Fund	Dept.	Organization	Appr.	Obj/Rev Source			
FMZ	600	C020		9800			
GRC/PROJ/JOB No.			Amount				
			\$ 40,530,020				
Fund	Dept.	Organization	Appr.	Obj/Rev Source			
GRC/PROJ/JOB No.			Amount				
			\$				
Fund	Dept.	Organization	Appr.	Obj/Rev Source			
GRC/PROJ/JOB No.			Amount				
			\$				
Project Name		Estimated Payment Total by Fiscal Year					
Crest Forest FPD		FY	Amount	I/D	FY	Amount	I/D
Fire Protection Services							
Agreement							

THIS CONTRACT is entered into in the State of California by and between the **SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT** hereinafter called the **COUNTY FIRE** and

Name  
Crest Forest Fire Protection District hereinafter called DISTRICT

Address  
Attn: Board of Directors President

23407 Crest Forest Dr, Crestline, CA 92325

Telephone (909) 338 - 3311 Federal ID No. or Social Security No. 95-6002748

**IT IS HEREBY AGREED AS FOLLOWS:**

*(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)*

**FIRE PROTECTION SERVICES AGREEMENT  
BETWEEN  
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT  
AND  
CREST FOREST FIRE PROTECTION DISTRICT**

This Agreement is made and entered into by and between the San Bernardino County Fire Protection District (hereinafter referred to as "COUNTY FIRE") and the Crest Forest Fire Protection District (hereinafter referred to as "DISTRICT").

*Auditor-Controller/Treasurer/Tax Collector Use Only*

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

**WITNESSETH:**

**WHEREAS**, DISTRICT desires to contract for performance of fire protection, emergency medical services, fire prevention services, hazardous materials services, and fire cause and origin investigations within the territorial boundaries of DISTRICT, and

**WHEREAS**, COUNTY FIRE is willing and able to perform such fire protection, emergency medical services, fire prevention services, hazardous materials services, and fire cause and origin investigations.

**NOW THEREFORE**, it is agreed as follows:

**SCOPE OF WORK:**

1. This Agreement shall be effective when executed by the authorized representatives of all parties.
2. COUNTY FIRE shall provide to DISTRICT fire protection services within the corporate limits of DISTRICT or as such limits may be modified by annexation or exclusion during the term of this Agreement.
3. COUNTY FIRE shall provide to DISTRICT fire prevention services, fire investigation, fire suppression, advanced life support ("ALS") services, ambulance transport, and rescue services, as described on "Exhibit A" ("Service Levels"), and standards shall comply with COUNTY FIRE criteria and State and Federal guidelines. Modifications may be mutually agreed to by COUNTY FIRE and DISTRICT. Additional value added services that will be provided to DISTRICT shall include hazardous materials services, household hazardous waste collection services, all budget and fiscal services (billing and collection) and Office of Emergency Services.
4. COUNTY FIRE will furnish to DISTRICT Office of Emergency Services, fire prevention services, hazardous materials services, and fire cause and origin investigations at the same level which it furnishes within its own boundaries. DISTRICT agrees to adopt COUNTY FIRE's fee ordinance annually as the authority for imposing and collecting DISTRICT's fees and charges. COUNTY FIRE's fee ordinance that is currently in effect and which may be revised from time to time, is Ordinance No. FPD 12-01 A1. DISTRICT's obligation to adopt said ordinance shall be subject to any protest procedure that may be available for members of the public ratepayers to challenge the adoption of said ordinance by DISTRICT.
5. COUNTY FIRE shall provide annual fire inspections for general business occupancies within the DISTRICT such as office complexes and retail outlets.
6. DISTRICT or any authorized representative shall have access to any books, documents, and records of COUNTY FIRE, which are pertinent to this contract for the purposes of making an audit or examination. All books, records and supporting detail shall be retained for a period of five (5) years after the term of this contract. COUNTY FIRE agrees that in the event audit exceptions are determined by appropriate audit agencies, it shall be the responsibility of COUNTY FIRE to comply.
7. DISTRICT's Board of Directors shall remain the governing body for the DISTRICT, and the San Bernardino County Fire Protection Board of Directors shall be the governing body of COUNTY FIRE. Any changes or modifications of this Agreement shall not become effective until approved by the DISTRICT's Board of Directors and COUNTY FIRE's governing board.
8. Fire Chief of COUNTY FIRE shall be designated as the Fire Chief of DISTRICT for Office of Emergency Services, fire prevention services, hazardous materials services, fire suppression, and emergency medical operations at all times during the term of this Agreement. Said Fire Chief shall designate a Division Chief to work directly with the DISTRICT's Board of Directors and provide liaison with other officers of the DISTRICT. The Fire Chief's designated Division Chief will attend DISTRICT Board meetings, meetings requested by the DISTRICT, address regular monthly reports to the attention of the President, and such

other reports as may be appropriate, as determined by the Fire Chief, with respect to the Office of Emergency Services, fire prevention services, hazardous materials services, and fire protection services provided within the corporate limits of DISTRICT.

9. During the term of this Agreement, COUNTY FIRE may find it necessary, in connection with fire and other emergencies, to move certain equipment described in Exhibit "B" ("Leased Premises and Vehicles") from DISTRICT's limits.

## TERMS AND CONDITIONS

### 10. Term and Termination:

- a. The term of this Agreement shall be ten (10) years, commencing **July 13, 2013** and ending **June 30, 2023** ("Term") unless terminated earlier as provided herein. However, a three year firm term commencing upon execution of this Agreement ("Firm Term") shall be in place during which time neither party may exercise any early termination provisions of this Agreement. Following the expiration of the Firm Term, either party, by written notice to the other party, may terminate the whole or any part of this Agreement at any time, and without cause by giving written notice to the other party of such termination, and specifying the effective date thereof, at least three-hundred sixty-five (365) days after the notice of such termination. Upon termination, COUNTY FIRE shall be compensated only for those services which have been rendered to DISTRICT, and COUNTY FIRE shall be entitled to no further compensation.
- b. Notwithstanding the foregoing, in the event COUNTY FIRE provides any services to DISTRICT on a holdover basis after the date of termination, DISTRICT shall fully reimburse COUNTY FIRE for all costs of providing such services.
- c. The Term of this Agreement shall automatically renew for additional one (1) year periods, as determined by COUNTY FIRE, unless the DISTRICT provides notice to the COUNTY FIRE of its desire to terminate the Agreement. Such notice shall be provided no less than three-hundred sixty-five (365) days prior to the expiration date of this agreement. If DISTRICT fails to provide such notice, COUNTY FIRE shall have the option to extend this Agreement for a period of up to one (1) year from the original termination date and to continue providing services at the same or reduced level as COUNTY FIRE determines would be appropriate during the extended period of this Agreement. COUNTY FIRE shall notify the DISTRICT of the extended termination date.

### 11. Payment:

- a. DISTRICT shall pay COUNTY FIRE the prorated sum of \$3,547,978 for Fiscal Year 2013-2014 and \$3,651,028 for each fiscal year thereafter of fire protection services provided by COUNTY FIRE during the term of this Agreement and a one-time start up cost of \$18,420 for supplies and equipment. DISTRICT shall pay to COUNTY FIRE monthly installments of \$295,664.83 for Fiscal Year 2013-2014 and \$304,252.33 each month thereafter at the beginning of each month during the period of this Agreement. Payments will be renegotiated annually based upon the provisions of Paragraph 11 d. Payment shall be due by the fifth (5<sup>th</sup>) day of each month. Payments received after sixty (60) days of when due shall include 10% simple interest after the sixtieth (60<sup>th</sup>) day against the amount owing.
  - (1) DISTRICT shall make a supplemental payment to COUNTY FIRE by December 1st of each year, beginning in 2013 and continuing for a total of twenty (20) years in the amount of \$410,437 including a four percent (4%) annual compounded increase to offset the cost of the County Safety cost pool. COUNTY FIRE will then make an equal payment to SBCERA by December 31<sup>st</sup> of each year.
- b. COUNTY FIRE shall have the right to terminate this Agreement sooner than provided for in Section 10(a) if DISTRICT does not make timely payments of its obligations hereunder to COUNTY FIRE.

- c. COUNTY FIRE shall have the right to annually renegotiate the rate and service levels for services performed under this Agreement. DISTRICT shall be responsible for any future MOU and/or Compensation Plan for salary/benefit increases that may occur during the term of the Agreement. Annual increases for operating expenses will be based on expected actual costs.
- d. COUNTY FIRE may give notice to DISTRICT of increased costs incurred by COUNTY FIRE in providing the services pursuant to this Agreement, and this Agreement may be amended to reflect the increased costs to COUNTY FIRE, with any such amendment to be effective the date the costs for COUNTY FIRE are increased. DISTRICT may have the option to terminate this Agreement if the parties cannot agree on the amount of additional costs proposed by COUNTY FIRE, in accordance with Section 10, "Term and Termination." In the event of such termination, COUNTY FIRE shall be paid for all services rendered until such termination date at the rates set forth in this Agreement. If DISTRICT does not pay the increased costs and does not terminate this agreement, then COUNTY FIRE will reduce services to ensure that DISTRICT is fully funding the services provided pursuant to this agreement.
- e. Annually, DISTRICT and COUNTY FIRE shall review staffing levels. DISTRICT and COUNTY FIRE shall have the right at any time during the term of this Agreement to request a change in the level of fire protection services provided for herein. In such event, all provisions of this Agreement with respect to compensation paid by DISTRICT shall remain in full force and effect, but in addition to payment of the sums herein provided, DISTRICT shall pay COUNTY FIRE in monthly installments the cost of such additional fire protection service.
- f. DISTRICT shall not hold COUNTY FIRE responsible for a reduction in fire protection services resulting from labor relation actions and DISTRICT's obligation to pay COUNTY FIRE shall not be reduced for services not performed for that reason.

## **12. Premises Lease:**

- a. DISTRICT hereby leases to COUNTY FIRE the real property, together with the fixtures and furnishings described in "Exhibit B" ("Leased Premises and Vehicles") for the sum of \$1 per year for duration of this Agreement, on the terms and conditions set forth in this Agreement. During the term of this Agreement, COUNTY FIRE shall maintain in good repair the heating and cooling systems, plumbing and electrical systems, exterior and interior walls, windows, roof, sidewalks, and other like portions of the Leased Premises.
- b. DISTRICT agrees to be responsible for all major structural repairs and/or replacements which exceed \$1,000 per occurrence (including labor costs) to DISTRICT owned facilities. Major structural repairs shall include but not be limited to major electrical or plumbing problems where the slab or a wall must be broken to access, major concrete replacement, major heating or cooling system replacement, major asphalt replacement, roof replacement, apparatus door replacement, and the structural integrity of the building and facility replacement due to fire, flood, earthquake, or any other natural or manmade disaster causing the facility to be uninhabitable. The foregoing shall apply unless the need for such repairs and/or replacements are the result of the negligent or willful misconduct of COUNTY FIRE, in which case COUNTY FIRE shall be responsible for promptly completing and paying for the costs of such repairs and/or replacements. Except as specifically set forth herein, DISTRICT will remain financially responsible for new and replacement DISTRICT facilities. DISTRICT shall be directly billed for repairs exceeding this limit provided that the COUNTY FIRE notify the DISTRICT in advance of the need for any such repairs.
- c. COUNTY FIRE agrees to the storage of DISTRICT Emergency Services vehicles and equipment within the leased fire stations and grounds. In addition, current agreements pertaining to the Leased Premises by other entities under contract with DISTRICT will be honored by COUNTY FIRE with the liability remaining with DISTRICT. Future agreements for use of the Leased Premises by other agencies shall be coordinated and mutually agreed to by DISTRICT and COUNTY FIRE.

**13. Utilities:**

COUNTY FIRE shall pay all utility service charges, including charges for electricity, gas, telephone, water, refuse disposal, janitorial, maintenance and any related expenses provided to the Leased Premises. This excludes any premise lease agreement already in effect with another agency prior to the date of this agreement. This cost will be included in annual Agreement and billed monthly.

**14. Inspection of Premises and Vehicles:**

Upon Execution of this Agreement, COUNTY FIRE will inspect premises and vehicles listed in Exhibit "B" to document the current condition of each. County Fire's Maintenance obligations will be limited to maintaining the premises and equipment in the same operating condition that existed as of the date of this agreement subject to the dollar limitations contained herein and limited to the expected useful life of the equipment.

**15. Maintenance Expense:**

COUNTY FIRE shall provide all necessary routine maintenance expense, including janitorial interior maintenance and landscaping maintenance for the Leased Premises.

**16. Fire/ALS/Paramedic Apparatus and Equipment:**

DISTRICT hereby leases to COUNTY FIRE the fire vehicles, apparatus, equipment and property described in Exhibit "B" ("Leased Premises and Vehicles") for the sum of \$1 per year for duration of this Agreement, on the terms and conditions set forth in this Agreement. DISTRICT shall be listed as owner and COUNTY FIRE shall be listed as the registered owner of the apparatus. During the term of this Agreement, COUNTY FIRE shall maintain in good repair the fire equipment, and shall be financially responsible for routine maintenance and repairs.

The DISTRICT agrees to be responsible for all major apparatus and equipment repairs and/or replacements unless the need for such repairs and/or replacements are the result of the negligent or willful misconduct of COUNTY FIRE, in which case COUNTY FIRE shall be responsible for promptly completing and paying for the costs of such repairs and/or replacements. Major apparatus and equipment repairs shall include but not be limited to engine, transmission, drive train, pump and tank repairs which exceed \$5,000 for fire apparatus and \$2,000 for staff vehicles per occurrence (including labor costs). DISTRICT will remain financially responsible for new and replacement apparatus, and staff vehicles. Except as otherwise provided herein, failure to replace equipment on schedule may be cause for the COUNTY FIRE to direct bill the DISTRICT for maintenance related repairs to such identified vehicles. COUNTY FIRE shall include these costs as an element of the compensation paid by DISTRICT.

**17. Cost of Providing and Operating Equipment:**

The cost of providing, maintaining, operating any and all property, furnishings and equipment, real or personal, previously furnished by DISTRICT for Office of Emergency Services, fire prevention services, hazardous materials services, fire protection and ALS/Paramedic services (other than the fire equipment set forth in Exhibit "B" ("Leased Premises and Vehicles") and provided for hereinabove) shall be borne by COUNTY FIRE unless otherwise provided for herein or by separate written agreement. New additional equipment and replacement of equipment over \$2,000 will be borne by DISTRICT. COUNTY FIRE will operate the equipment as part of this Agreement and the DISTRICT will be responsible for replacing the equipment as warranted.

**18. Assumption of Personnel:**

COUNTY FIRE agrees to offer employment to DISTRICT personnel, as listed in "Exhibit C" ("Personnel"), provided that each of them successfully passes the required background checks/pre-employment physicals and drug test. Said employees will be hired as new County Fire employees for all purposes except those set forth below. Failure to successfully pass the required background check/pre-employment physicals or drug test shall disqualify a person on said list from employment with COUNTY FIRE. DISTRICT agrees to assume all liability for, and to defend, indemnify and hold harmless COUNTY FIRE, its officers, agents, employees or volunteers from claims, actions, losses, or damages by any such employees that arise from

occupational injuries during the course of their employment during the term of this Agreement that arose out of, or were aggravated by, medical conditions existing prior to the term of this Agreement as identified during pre-employment physicals and in existing DISTRICT employee files. COUNTY FIRE agrees to maintain employee's DISTRICT service dates for the following purposes, only, retirement contribution, Retiree Medical Trust Fund, and vacation accrual rate. DISTRICT shall remit to COUNTY FIRE the cash value of up to 96 hours of vacation leave and 96 hours of sick leave if available, of each hired employee's district leave balances at the rate of pay the employee will be receiving at COUNTY FIRE for purchase of leave balances for the hired employees. COUNTY FIRE will have no responsibility for determining the appropriate number of hours to be purchased by DISTRICT for employees hired by COUNTY FIRE. In the event of contract termination by either DISTRICT or COUNTY FIRE, DISTRICT shall remit to COUNTY FIRE the cash value of all unfunded leave accruals and the employees hired pursuant to this contract will be deemed redundant and they will be laid off from COUNTY FIRE employment, regardless of seniority.

The employees listed in Exhibit "C" ("Personnel") are required to maintain all appropriate license/certifications/registrations for the job to which they are assigned. Notwithstanding any provision to the contrary in the Personnel Rules for Board Governed Special Districts to which COUNTY FIRE is subject, rank and file personnel will be offered employment in positions as determined by COUNTY FIRE in a classification that as closely as possible has job duties resembling the work said employee was performing prior to this Agreement. Notwithstanding any provision to the contrary in the Personnel Rules for Board Governed Special Districts to which COUNTY FIRE is subject, rank and file employees will be placed on the closest salary step of the new classification to current DISTRICT base salary (without incentive), except in circumstances where DISTRICT salary is higher than COUNTY FIRE's top step. In these cases, COUNTY FIRE's top step will be applicable. All employees listed in Exhibit "C" are required to serve a six (6) month probationary period. In the event of contract termination, all DISTRICT employees hired by COUNTY FIRE will be deemed redundant and laid off from COUNTY FIRE employment, regardless of seniority and classification at the time of the contract termination.

DISTRICT agrees to fund the difference in pay between the current top step COUNTY FIRE captain pay rate and the current DISTRICT Division Chief pay rate for the current DISTRICT Division Chief being reassigned to the Captain rank. This extra payment will terminate two (2) years from the final adoption date of this contract. Mandatory Staffing compensation for this reassigned captain will be made based on the top step captain pay rate. The regular rate of pay for this employee for purpose of overtime calculations will be the top step COUNTY FIRE captain pay rate. There will be no entitlement to a continuation of the extra payment at the end of two (2) years and no appeal pursuant to the Firefighters Procedural Bill of Rights will be triggered by any pay reduction at the end of two (2) years.

DISTRICT agrees to indemnify and hold COUNTY FIRE, its employees, officer and agents, harmless for any and all claims that may arise with regard to the assumption of the above mentioned employees and any and all claims, lawsuits or damages arising from, including but not limited to Unfair Labor Practice Claims, claims relating to successor employer status, rights with regard to union representation, unfunded retirement contributions and other claims that may arise related to the appropriateness of the assumption of services and employees by COUNTY FIRE.

- a. As a result of this agreement, DISTRICT'S assets and liabilities within SBCERA will transfer from Other Safety to County Safety within the SBCERA actuarial valuation; however, the DISTRICT recognizes that the language of this agreement requires that the DISTRICT is entirely financially liable to COUNTY FIRE for any existing unfunded pension liabilities transferred to the County Safety cost pool or any future unfunded pension liabilities that may be incurred as a result of providing service to DISTRICT under this Agreement. COUNTY FIRE is not accepting any of the obligations or liabilities, known or unknown, of the DISTRICT by this Agreement. Specifically, but not limited to, COUNTY FIRE is not responsible for any retirement benefits, obligations or unfunded liabilities relating to DISTRICT employees that arise with regard to employment predating this Agreement. Further, COUNTY FIRE is not assuming any of the debts, obligations or liabilities of the DISTRICT unless specifically enumerated in this Agreement.

### **Current Contribution Rates – Supplemental Payment**

The DISTRICT currently pays a higher contribution rate as a member of the Other Safety cost pool than does COUNTY FIRE as a member of the County Safety cost pool. The DISTRICT will make an annual supplemental payment to offset the cost increase that would occur within the County Safety cost pool due to the transfer in of DISTRICT assets and liabilities from the Other Safety cost pool.

The actuary calculated the supplemental payment amount to be \$410,437, increasing at four percent (4%) compounded annually for twenty (20) years.

DISTRICT shall make payment to COUNTY FIRE by December 1st of each year, beginning in 2013 and continuing for a total of twenty (20) years, an amount equal to the calculation by SBCERA and its actuary based on the June 30, 2012 actuarial study, including a four percent (4%) annual compounded increase. COUNTY FIRE will then make an equal payment to SBCERA by December 31<sup>st</sup> of each year.

It is agreed by DISTRICT and COUNTY FIRE that if the payment to SBCERA reduces the amount of compensation available to COUNTY FIRE, then COUNTY FIRE will reduce services pursuant to this agreement commensurate with the reduction in compensation.

In the event that the DISTRICT does not make the required annual supplemental payment described above, COUNTY FIRE may reduce services provided to the DISTRICT at COUNTY FIRE'S sole discretion to offset any shortfall in payment.

Upon termination of this agreement, any remaining unpaid liabilities under this section will be included in the termination payment calculation discussed in Treatment of Existing and Future Liability Upon Termination below.

### **Treatment of Existing and Future Liability Upon Termination**

At termination of this agreement for any reason, DISTRICT shall be responsible to pay the DISTRICT's share of liabilities, such amount to be determined by SBCERA's actuary using their standard termination methodology, as if the DISTRICT were a terminating member of SBCERA. Amounts owed under this calculation are owed by the DISTRICT to COUNTY FIRE following a schedule of payments allowed under the standard termination methodology, currently a lump sum payment or an amortization of amounts owed over a period of time not to exceed the amortization period of unfunded liabilities used by SBCERA.

For purposes of this section include any existing liability transferred to the County Safety cost pool at the time of entering into this contract as well as the DISTRICTS share of new liabilities within the County Safety cost pool incurred during the period of this or any successor agreements between the DISTRICT and COUNTY FIRE.

#### **19. Grants:**

COUNTY FIRE and DISTRICT shall participate and coordinate efforts to obtain all available grants, reimbursements and related programs to enhance funding for the DISTRICT.

#### **20. Purchasing Program:**

In order to achieve economies of scale, the DISTRICT may authorize the COUNTY FIRE to purchase equipment, apparatus and supplies on behalf of the DISTRICT. Recognizing that fire and emergency medical equipment, apparatus and supplies are specialized for these functions, DISTRICT agrees to coordinate with COUNTY FIRE specifications when the DISTRICT makes these purchases.

**21. Reciprocal/Mutual Indemnity – hold harmless:**

- a. COUNTY FIRE, to the extent permitted by law, agrees to indemnify and hold harmless the DISTRICT, its officers, agents, employees and volunteers from any and all claims including employment related claims, except as listed in Paragraph 17, actions or losses, damages, and/or liability resulting from COUNTY FIRE's negligent acts or omissions which arise from COUNTY FIRE's performance of its obligations under this Agreement.
- b. The DISTRICT, to the extent permitted by law, agrees to indemnify and hold harmless COUNTY FIRE and its officers, employees, agents and volunteers from any and all claims including employment related claims, actions, losses or damages and/or liability arising out of the DISTRICT's negligent acts or omissions which arise from DISTRICT's performance of its obligations under this Agreement.
- c. In the event DISTRICT and/or COUNTY FIRE is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under the Agreement, DISTRICT and/or COUNTY FIRE shall indemnify the other to the extent of its comparative fault.
- d. Notwithstanding indemnification for any claim, action losses, or damage involving a third party, the DISTRICT and COUNTY FIRE hereby waive any and all rights of subrogation recovery against each other.

**22. Insurance:**

COUNTY FIRE and DISTRICT are authorized self-insurance public entities for purposes of Professional Liability, General Liability, Automobile Liability, Workers' Compensation and Property Damage and warrant that through their respective programs of self-insurance, they have adequate coverage or resources to protect against liabilities arising out of the performance of the term, conditions or obligations of this agreement.

DISTRICT shall maintain worker's compensation coverage tail insurance that will cover all current DISTRICT employees.

**23. Waiver of Subrogation Rights:**

The DISTRICT shall require the carriers of required coverage's to waive all rights of subrogation against COUNTY FIRE, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the DISTRICT and DISTRICT's employees or agents from waiving the right of subrogation prior to a loss or claim. The DISTRICT hereby waives all rights of subrogation against COUNTY FIRE.

**24. Proof of Coverage:**

COUNTY FIRE shall, within sixty (60) days of commencement of this Agreement, furnish certificates of insurance or self-insurance to DISTRICT evidencing the insurance coverage including endorsements, above required prior to the commencement of performance of service hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to DISTRICT, and COUNTY FIRE shall maintain such insurance from the time COUNTY FIRE commences performance of services hereunder until the completion of such services.

**25. Non Assumption:**

COUNTY FIRE is not accepting any of the debts, obligations or liabilities of the DISTRICT by entering into this Agreement. Specifically, but not limited to, COUNTY FIRE is not responsible for any retirement benefits, obligations or unfunded liabilities relating to DISTRICT employees that arose or arise in the future with regard to employment predating the effective date of this Agreement. Further, COUNTY FIRE is not assuming any of the debts, obligations or liabilities of the DISTRICT unless specifically enumerated in this Agreement.

**26. Severability:**

---

If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had ever been contained herein.

**27. Applicable Laws:**

At all times during the term of this Agreement, the DISTRICT and the COUNTY FIRE shall comply with all applicable laws, ordinances, rules and regulations of the United States of America, the State of California including all agencies and subdivisions thereof.

**28. Attorney Fees and Cost:**

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own cost and attorney's fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Section 20.

**29. Venue:**

The venue of any action or claim brought by any party to this Agreement will be the Central District Court of San Bernardino County. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by a third party, the parties hereto agree to use their best efforts to obtain a change of venue to the Central District Court of San Bernardino County.

**30. Notices:**

Any and all notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such address as the respective parties may provide in writing by registered or certified mail, postage prepaid for this purpose:

**COUNTY FIRE:** SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT  
Attn: Fire Chief  
157 W. 5<sup>th</sup> Street, 2<sup>nd</sup> floor  
San Bernardino, CA 92415-0451

**DISTRICT:** CREST FOREST FIRE PROTECTION DISTRICT  
Attn: Board of Directors President  
23407 Crest Forest Drive  
PO Box 3220  
Crestline, CA 92325

**31. Successors and Assigns:**

This Agreement shall be binding on the successors and assigns of the parties.

IN WITNESS WHEREOF, this Agreement has been executed and approved and is effective and operative as to each of the parties as herein provided.

**SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT**

*Janice Rutherford*

Janice Rutherford, Chair, Board of Directors

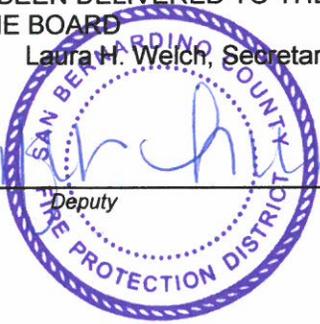
Dated: JUL 09 2013

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Laura H. Welch, Secretary

By *Jennifer Hanna*

Deputy



**CREST FOREST FIRE PROTECTION DISTRICT**

(Print or type name of corporation, company, contractor, etc.)

By *Leslie Dodge Taylor*

(Authorized signature - sign in blue ink)

Name LESLIE DODGE TAYLOR

(Print or type name of person signing contract)

Title BOARD PRESIDENT

(Print or Type)

Dated: 6/6/13

Address P.O. 3220

CRESTLINE, CA 92325

Approved as to Legal Form

*Carol Greene*  
Counsel  
CAROL GREENE

Date June 11, 2013

Reviewed by Contract Compliance

\_\_\_\_\_

Date \_\_\_\_\_

Presented to Board for Signature

*Mark Hartwig*  
MARK HARTWIG

Date 6-14-2013

**“EXHIBIT A”  
FIRE PROTECTION SERVICES AGREEMENT  
CREST FOREST FIRE PROTECTION DISTRICT**

**SERVICE LEVELS**

**a. Fire Protection Services for the Crest Forest Fire Protection District**

- Maintain six (6) personnel on duty at DISTRICT fire stations for twenty-four (24) hours a day.
- Provide Fire Protection and Rescue Services with staffing of two (2) fire engines and two (2) Medic Ambulances.  
Two (2) personnel - Captain, Engineer/Paramedic (Eng/PM) assigned to ME 25  
Two (2) personnel – Limited Term Firefighter (LTFF/PM) assigned to MA 25  
Two (2) personnel – Captain, Eng/PM assigned to ME 26
- County Fire shall provide a staffed Medic Ambulance at Station 26.  
Two (2) personnel – FF/PM, LTFF
- Provide Advanced Life Support services with a minimum of one (1) paramedic on each unit daily.
- Maintain a Paid Call Firefighter Program as outlined in Operations Directive #2032
- Communication system and Dispatch Services includes an automated incident reporting system with full record management and computer network services utilizing COUNTY FIRE’s network system.
- Vehicle repairs will be performed by certified mechanics that travel to on-site stations to reduce “down time,” or at our shop that has full capability to provide major equipment overhaul and fabrication.
- Fire inspections in general business occupancies such as office complexes and retail outlets shall be inspected annually. Engine companies will be encouraged to participate in all target hazards inspections.

**b. Fire Prevention, Hazardous Materials Services, and Office of Emergency Services for the Crest Forest Fire Protection District**

- Provide Office of Emergency Services, fire prevention services, and hazardous materials services.
- Provide planning and engineering services and land development services. Fire inspections in general business occupancies such as office complexes and retail outlets shall be inspected annually.
- Fire investigators shall be available to fire scenes for fire cause determination twenty-four (24) hours per day.

**“EXHIBIT B”  
FIRE PROTECTION SERVICES AGREEMENT  
CREST FOREST FIRE PROTECTION DISTRICT**

**LEASED PREMISES and VEHICLES**

- **Station 25 (Staffed) Headquarters Crestline:**
  - 99894 2003 International/5800 BE25
  - 99811 2005 Chevrolet K2500 BP25
  - 99829 1994 Ford F350 IC3299A
  - 99890 2007 Chevrolet MA25
  - 99807 2003 Ford E350/Leader MA25A
  - 99895 2003 Ferrara Inferno ME25
  - 99812 2002 HME Westates OES309
  - 99810 1973 Bombardier SC25
- **Station 26 (Staffed) Twin Peaks:**
  - 99814 1997 Ford E350/Leader MA26
  - 99896 2003 Ferrara Inferno ME26
  - 99802 1975 Int. Loadstar 1750 R26
  - 99892 1974 Bombardier SC26
  - 99824 1974 John Deere SL26
  - 99809 2000 Chevrolet HD3500 4x4 UT26A
  - 99825 1998 Ford E350/Leader AM26R
- **Station 24 (PCF) Cedarpines Park:**
  - 99803 1973 American LaFrance\* E24
  - Station closed at the present time.
- **Station 27 (Warehouse) Agua Fria:**
  - No Equipment
- **Station 28 (PCF) Valley of Enchantment:**
  - 99820 1991 Spartan/Quality E28
- **Station 29 (PCF and Shop) Lake Gregory:**
  - 99822 1991 Spartan/Quality E29
  - 99817 1975 Spens Tilt Bed SC25/26 Trailer
- **Station 30 (PCF) Rim Forest:**
  - 99818 1991 Spartan/Quality
  - 99821 1980 Mack WT 30
- **Administration/Staff Vehicles:**
  - 99893 2003 Ford Expedition 4x4
  - 99801 2000 Ford Expedition 4x4
  - 99813 2005 Chevrolet K1500
- **E1 (parade vehicle) to remain as property of District but not included in the contract. District will maintain.**
- **Additional District Vehicles**
  - 99806 1987 Chevrolet Step Van IC3299
  - 99891 2001 Ford F350
  - 99819 1997 Jeep Cherokee
  - 99826 1995 BBQ Trailer - to remain property of the District but not included in the contract. District will maintain.

**“EXHIBIT C”  
FIRE PROTECTION SERVICES AGREEMENT  
CREST FOREST FIRE PROTECTION DISTRICT**

**PERSONNEL**

- Currently employed DISTRICT suppression staff to occupy Stations 25, 26, 28, 29, 30.

Fire Captains  
Fire Engineers (Eng or Eng/PM)  
Limited Term Firefighters (LTFF or LTFF/PM)  
Paid Call Firefighters

- The following suppression personnel will be offered employment at the same position level pending that person successfully meeting all requirements set forth in #18 – Assumption of Personnel.

\*Exception - Jon Garber will transition from Division Chief/Medic to Captain/Medic.

**Suppression**

<b>Name</b>	<b>Rank</b>
Aguilar, Omar	Firefighter/EMT
Bagnell, Luke	Engineer/Medic
Bryan, Patrick “Rick”	Captain/EMT
Callaway, Michael	Firefighter/Medic
Carpenter, Kenneth	Captain/EMT
Corletto, Carlos	Captain/EMT
Curtis, Tom	Engineer/Medic
Garber, Jon	Division Chief/Medic to Captain/Medic*
Jackson, Sean	Firefighter/Medic
Jones, Michael	Firefighter/EMT
Lerma, Francisco	Firefighter/Medic
McHenry, Troy	Engineer/EMT
Malsed, Michael	Engineer/Medic
Martinez, Eric	Firefighter/Medic
Nafzgar, Dan	Captain/EMT
Perry, Chris	Engineer/EMT
Rojas, Mark	Firefighter/Medic
Wharton, Bryan	Firefighter/EMT
Whitesell, Don	Engineer/Medic

- The following SAFER Grant funded personnel will be offered Limited Term Firefighter Paramedic (LT/PM) positions pending that person successfully meeting all requirements set forth in #18 – Assumption of Personnel:

<b>Name</b>	<b>Rank</b>
Fratus, David	SAFER Firefighter/Medic to LT/PM
Meredith, Earl	SAFER Firefighter/Medic to LT/PM

- The following personnel and contract employees, appointed to their current position prior to July 13, 2013 and employed by DISTRICT as of the pay period this amendment is approved by the Board of Directors will be offered employment equal to their current rank classification with COUNTY FIRE. All employees holding the positions listed below will remain at their current work locations unless COUNTY FIRE determines that a re-assignment is necessary to meet the needs of COUNTY FIRE management.

The following non-suppression personnel will be offered employment at the same position level pending that person successfully meeting all requirements set forth in #18 – Assumption of Personnel.

### Non Suppression

<b>Name</b>	<b>Rank</b>
Forsythe, Patti	Administrative Assistant to Administrative Secretary I
Mackessy, Mary	Fire Inspector
Matejka, Mark	Fire Mechanic

The following Crest Forest contract personnel will be offered employment at the same position level pending that person successfully meeting all requirements set forth in #18 – Assumption of Personnel.

### Contract Employee

<b>Name</b>	<b>Rank</b>
Astran, Tara	Finance Officer to Staff Analyst II

**Crest Forest Fire Protection District - Annual Budget**  
5/9/13

Salaries and Benefits	Number of Positions	Average Cost Per Position	SBCFPD Proposed Existing Staffing
<b>Suppression</b>			
Captain	6	182,084	1,092,504
Engineer/PM	6	162,629	975,774
LT Fire Fighters	3	38,494	115,482
LT Fire Fighters/PM	3	42,893	128,679
<b>Suppression Total</b>	<b>18</b>		<b>\$ 2,312,439</b>
<b>Non-Suppression</b>			
Office Assistant	1	55,123	55,123
<b>Non-Suppression Total</b>	<b>1</b>		<b>\$ 55,123</b>
<b>Term Benefits</b>			-
<b>PCF</b>			25,000
<b>Workers' Comp</b>			
Suppression			86,011
Non-Suppression			161
<b>Supp/Non-Supp Total</b>			<b>\$ 2,478,734</b>
<b>Chief Officers (21.35%)</b>			
SBCFPD Division Chief	1	237,250	52,636
Battalion Chief	3	266,053	170,407
<b>Chief Officers Total</b>	<b>4</b>		<b>\$ 223,043</b>
<b>CFFPD Chief Officer Differential</b>			<b>\$ 23,000</b>
<b>Total Salaries and Benefits</b>	<b>23</b>		<b>\$ 2,724,777</b>
<b>Operating Expenses</b>			
Services and Supplies			272,475
<b>Station Expenses</b>			
C025			145,183
C026			99,603
Debt Service			7,500
Lease Purchase Structure			183,207
<b>Total Operating Expenses</b>			<b>\$ 707,968</b>
<b>Contract Management Fee</b>			218,283
<b>SBCERA</b>			410,437
<b>Total Annual Requirements</b>			<b>\$ 4,061,465</b>
<b>One-Time Start Up Costs</b>			<b>\$ 18,420</b>

**Crest Forest Fire Protection District - Final Contract Annual Budget**  
4/15/2014

Salaries and Benefits	Number of Positions	Average Cost Per Position	SBCFPD Proposed Existing Staffing
<b>Suppression</b>			
Captain	6	183,234	1,099,404
Engineer/PM	6	162,298	973,788
LT Fire Fighters	3	42,710	128,130
LT Fire Fighters/PM	3	47,596	142,788
<b>Suppression Total</b>	<b>18</b>		<b>\$ 2,344,110</b>
<b>Non-Suppression</b>			
Administrative Secretary	1	63,872	63,872
<b>Non-Suppression Total</b>	<b>1</b>		<b>\$ 63,872</b>
<b>PCF (position FTEs)</b>	<b>4</b>	15,000	<b>11,812</b>
<b>PCF Total</b>	<b>4</b>		<b>\$ 11,812</b>
<b>Worker's Comp (now added to employee cost)</b>			\$ -
<b>Chief Officers (23.96%)</b>			
SBCFPD Division Chief	1	248,334	59,501
Battalion Chief	3	273,007	196,237
<b>Chief Officers Total</b>	<b>4</b>		<b>\$ 255,738</b>
<b>CFFPD Chief Officer Differential</b>			
			\$ 23,000
<b>Total Salaries and Benefits</b>	<b>27</b>		<b>\$ 2,698,532</b>
<b>Operating Expenses</b>			
Services and Supplies			345,238
<b>Station Expenses</b>			
C025			256,836
C026			149,603
Debt Service			7,500
Lease Purchase Structure			185,590
<b>Total Operating Expenses</b>			<b>\$ 944,767</b>
<b>Administrative Overhead Costs</b>			
SBCERA			228,886
			426,855
<b>Total Annual Requirements</b>			<b>\$ 4,299,040</b>

*Chuck Gibbs*

\_\_\_\_\_  
Chuck Gibbs, President Board of Directors

*8/19/14*

\_\_\_\_\_  
Date

*Mark Hartwig*

\_\_\_\_\_  
Mark Hartwig, Fire Chief SBCFPD

*8-29-2014*

\_\_\_\_\_  
Date

Provided to LAFCO during  
1/15/15 DRC Meeting (LAFCO 3185/3186)



100 Montgomery Street Suite 500 San Francisco, CA 94104-4308  
T 415.263.8260 F 415.263.8290 www.segalco.com

John W. Monroe, ASA, MAAA, EA  
Vice President & Associate Actuary  
jmonroe@segalco.com

May 2, 2013

Mr. Norm Ruggles  
San Bernardino County Employees' Retirement Association  
348 West Hospitality Lane, 3<sup>rd</sup> Floor  
San Bernardino, CA 92415-0014

**Re: San Bernardino County Employees' Retirement Association  
Crest Forest Fire District – Annual Payment for Possible Transfer Based on  
June 30, 2012 Actuarial Valuation**

Dear Norm:

We understand that the Crest Forest Fire District (the District) is considering transferring their members to employment with the County. Currently, the District's Safety members are included in the Other Safety cost group in SBCERA's annual actuarial valuation. The District's two General members would also be transferring.

If the District's active Safety and General members were all transferred to County employment then the assets and liabilities associated with the District's members (both active and nonactive/retired) would be transferred to the County Safety and County General cost groups. Based on the June 30, 2012 actuarial valuation, we have determined that this would not change the current County General employer contribution rate but would result in an increase in the County Safety employer contribution rate by an estimated 0.21% of payroll (or \$0.4 million annually based on 2012/13 combined payroll of County Safety and the District's Safety members of \$195.4 million) due to the lower funded status of the District as compared to the County.

As a result, we have been asked to determine the amount that the District would need to pay the County in order to avoid the increase in the County Safety employer contribution rate described above. This amount is \$410,437 annually and would increase by 4% per year. The payment has been calculated using a 20-year amortization period as a level percent of payroll assuming payroll increases by 4% per year and payment at the middle of the fiscal year. The entire schedule of the payment amounts is shown in Exhibit I.

Benefits, Compensation and HR Consulting Offices throughout the United States and Canada



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Mr. Norm Ruggles  
May 2, 2013  
Page 2

Note that the County would then be responsible for any future employer contributions to SBCERA associated with these members. In addition, the County would be taking on the risk associated with any potential future changes in SBCERA's UAAL for these members (both active and nonactive/retired).

Unless otherwise noted, all of the above calculations are based on the June 30, 2012 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based. That valuation and these calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Respectfully submitted,

A handwritten signature in cursive script that reads "John Monroe". The signature is written in black ink and is positioned above the printed name.

John Monroe

AW/hy

Enclosure

## Exhibit I

**San Bernardino County Employees' Retirement Association  
Crest Forest Fire District  
Annual Payment Schedule for Possible Transfer**

<u>Payment</u>		<u>Payment</u>
<u>Date</u>		
12/31/2013	\$	410,437
12/31/2014		426,854
12/31/2015		443,928
12/31/2016		461,685
12/31/2017		480,152
12/31/2018		499,358
12/31/2019		519,332
12/31/2020		540,105
12/31/2021		561,709
12/31/2022		584,177
12/31/2023		607,544
12/31/2024		631,846
12/31/2025		657,120
12/31/2026		683,405
12/31/2027		710,741
12/31/2028		739,171
12/31/2029		768,738
12/31/2030		799,488
12/31/2031		831,468
12/31/2032		864,727



THE SEGAL COMPANY  
100 Montgomery Street Suite 500 San Francisco, CA 94104-4308  
T 415.263.8200 F 415.263.8290 www.segalco.com

October 5, 2012

Mr. Norm Ruggles  
Chief Executive Officer  
San Bernardino County Employees' Retirement Association  
348 W Hospitality Lane, Third Floor  
San Bernardino, CA 92415-0014

**Re: San Bernardino County Employees' Retirement Association  
Crest Forest Fire Protection District Termination Study –  
Termination as of November 30, 2012**

Dear Norm:

As authorized by the Board of Retirement, we have estimated the Crest Forest Fire Protection District ("The District") obligation to SBCERA if the District were to terminate its participation agreement with SBCERA at the proposed termination date of November 30, 2012.

#### **TERMINATION CONDITIONS**

The District anticipates that all active members would cease accruing service credit on November 30, 2012 and would become terminated vested or non-vested members (without reciprocal benefits) with SBCERA depending on their total service credit. It is our understanding that the District will not be contracting with CalPERS or other reciprocal agencies to provide benefits for future service. SBCERA would retain the obligation to provide benefits to the District's retirees as of the termination date as well as to any members with deferred benefits.

As noted above, we have used a target date of termination of November 30, 2012.

#### **DATA USED IN THIS CALCULATION**

This study is based on the information we collected and calculated in our most recent actuarial valuation for SBCERA as of June 30, 2011. In this study, we have determined a proportional share of the assets for the District as of June 30, 2011 by following the same procedures used in recent termination studies for SBCERA. As detailed below, that methodology is used for determining the assets for all benefits except those provided by the Survivor Benefit Reserve.

Benefits, Compensation and HR Consulting Offices throughout the United States and Canada.



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In order to determine the District's assets and liabilities as of November 30, 2012, we have also collected the following additional information from SBCERA:

1. Actual net market value rate of return information from July 1, 2011 through June 30, 2012 and estimated net market value rate of return information from July 1, 2012 through August 31, 2012.
2. Actual contributions made by the District and its employees for the period from July 1, 2011 to August 31, 2012.
3. Actual benefit payments made by SBCERA to employees, retirees and beneficiaries of the District from July 1, 2011 to August 31, 2012.
4. Data on all members from the District as of August 31, 2012.

Based on the above information, we have projected the allocated assets of the District from July 1, 2011 to November 30, 2012. In our projection, we assumed that the District's contributions and benefit payments for the month of August 2012 will continue at those same monthly rates through November 2012.

The assets have been projected using a return of 3.75% for the period from July 1, 2011 through November 30, 2012. This is the actual rate of return of 1.84% on the market value of assets from July 1, 2011 through August 31, 2012 as reported to us by SBCERA, plus an estimated 1.88% return for period from September 1, 2012 through November 30, 2012, which is consistent with the assumption used in the June 30, 2011 actuarial valuation (7.75% per year).

For benefits provided by the Survivor Benefit Reserve, a similar methodology was applied except that (1) the assets were allocated in proportion to the relative Actuarial Accrued Liability of the District and the entire plan based on the funded status of the Survivor Benefits as of June 30, 2011 and (2) the assets were projected using a rate of return of 7.75% per annum for the period from July 1, 2011 through November 30, 2012 (consistent with the interest that this reserve is credited with on an annual basis).

#### **FUNDING OBLIGATION SETTLEMENT CONDITIONS**

Our recent studies for other SBCERA terminating employers describe the market based approach used in determining the District's funding obligation as of the termination date. Under this approach, there would be no reassessment of the benefit liability after the District's termination date of November 30, 2012.

This approach dictates the use of the market value of assets and requires a valuation of the liabilities on a market-consistent basis. Under this approach, the liabilities for retirees and terminated members will be calculated using all the same actuarial assumptions utilized in the

June 30, 2011 actuarial valuation except that future benefit payments will be discounted to the present date using market based interest rate assumptions. The market based interest assumptions for this purpose are the discount rates used by the Pension Benefit Guaranty Corporation (PBGC) to measure the sufficiency of assets for a corporate employer who is terminating its single-employer defined benefit pension plan. The rates used by the PBGC for discounting expected benefit payments from pension plans terminating in October 2012 are 3.07% per annum for the next 20 years and 3.00% per annum, thereafter. These rates will be based on the actual November 2012 rates if termination does occur on November 30, 2012.

#### **RESULTS AND METHODOLOGY USED IN CALCULATION**

The results under the "Market Valuation" approach are shown in Attachment A. We have determined that the District's funding obligation as of the proposed determination date using the "Market Valuation" approach is \$33,102,477 in unfunded liability for all benefits except those provided by the Survivor Benefit Reserve.

In addition, we have determined that the District's funding obligation as of the proposed determination date is \$3,601 in unfunded liability for benefits provided by the Survivor Benefit Reserve. Thus, the District's total funding obligation is \$33,106,078.

Any net unfunded liabilities are generally required to be paid by the District as a lump sum, although the Board of Retirement may have the authority to allow for the obligation to be paid for over a period of installments. We defer to SBCERA's legal counsel on whether an installment period is legal. If it is legal, then we can provide information on the payments that would be required over various possible installment periods.

These calculations were based on the June 30, 2011 actuarial valuation results for SBCERA, rate of return information and assumptions from July 1, 2011 through November 30, 2012 and data noted earlier for contributions, benefit payments, and District membership. The June 30, 2011 actuarial valuation, and these calculations, were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

These calculations will need to be updated again once the June 30, 2012 actuarial valuation is completed and actual investment and demographic experience through November 30, 2012 is available. The results will change based on the June 30, 2012 valuation and actual experience from September 2012 through November 2012.

If there is a significant delay in the payment of the funding obligation, then we recommend that the funding obligation be adjusted to reflect interest until the actual payment date.

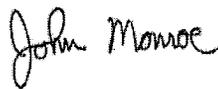
Mr. Norm Ruggles  
October 5, 2012  
Page 4

The undersigned are Members of the American Academy of Actuaries and meet the qualification requirements to render the actuarial opinion contained herein.

Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA  
Senior Vice President & Actuary



John Monroe, ASA, MAAA, EA  
Vice President & Associate Actuary

AW/bqb  
Enclosures

# ATTACHMENT A

**ATTACHMENT A - "Market Valuation" Method – For All Benefits Except Those Provided by the Survivor Benefit Reserve**

**Table 1 Determination of Projected Accumulated Assets for Crest Forest Fire Protection District as of 11/30/2012**

**A Determination of Accumulated Assets**

1	Actuarial Accrued Liability of Crest Forest Fire Protection District as of 6/30/2011 (See Table 3)	21,880,119
2	Unfunded Actuarial Accrued Liability (See Table 3)	8,673,968
3	Actuarial Value of Assets of the District as of 6/30/2011 (Item 1 – Item 2)	13,206,151
4	Determination of Projected Change in Assets From 7/1/2011 to 11/30/2012	
	i. Estimated Employer Contributions	1,774,528
	ii. Estimated Member Contributions	262,142
	iii. Estimated Benefits Paid	<u>(1,192,367)</u>
	iv. Total	844,303
5	Determination of Projected Market Value of Assets of the District as of 11/30/2012	13,826,354
	Projected Assets = (Item 3) * Ratio A * (1+i) + Item 4 * (1+j/2)	
	Where:	
	i. Ratio A = Ratio of Market Value to Actuarial Value of Assets (See Section B for Development of Ratio A)	0.946344
	ii. j = Assumed return on Market Value of Assets (See Section C for Development of j)	3.75%

**Table 1 (Cont'd)**  
**B** Development of Ratio A

Ratio A = Total SBCERA Market Value of Assets Net of Current Liabilities / Total SBCERA Actuarial Value of Assets Net of Current Liabilities		
1	Total SBCERA Market Value of Assets Net of Current Liabilities As of 6/30/2011	6,136,573,589
2	Total SBCERA Actuarial Value of Assets Net of Current Liabilities As of 6/30/2011	6,484,506,557
3	Ratio A (Item 1 / Item 2)	0.946344

**C** Development of Return on Market Value From 7/1/2011 to 6/30/2012

1	Actual Return on Market Value From 7/1/2011 to 6/30/2012 <sup>(1)</sup>	0.52%
2	Actual Return on Market Value From 7/1/2012 to 8/31/2012 <sup>(2)</sup>	1.31%
3	Assumed Return on Market Value From 9/1/2012 to 11/30/2012 <sup>(3)</sup>	1.88%
4	Assumed Return on Market Value "j" From 7/1/2011 to 11/30/2012 ((1 + Item 2) * (1 + Item 3) - 1)	3.75%
Note:		
(1)	Based on draft audited financial information provided by the Association.	
(2)	Based on unaudited financial information provided by the Association.	
(3)	Based on 7.75% per annum assumed rate of return.	

**Table 2** Determination of Unfunded Liability using Termination Basis for Crest Forest Fire Protection District as of 11/30/2012

<u>Determination of Unfunded Liability</u>		
Step 1	11/30/2012 Present Value of Future Benefits	
a	Total Liabilities <sup>(1)</sup>	46,928,831
Step 2	Unfunded Liability	
a	Projected Assets as of 11/30/2012 (See Table 1A, Item 5)	13,826,354
b	Projected Liabilities (Item 1a)	46,928,831
c	Unfunded Liability or (Net Asset)	33,102,477
Note:		
(1)	The interest rates used in discounting future payments are based on the PBGC rates for October 2012 (3.07% for 20 years; 3.00% thereafter).	

**Table 3 Determination of Unfunded Actuarial Accrued Liability for Crest Forest Fire Protection District as of 6/30/2011**

1	Actuarial Accrued Liability of Crest Forest Fire Protection District as of 06/30/2011		
	Active Members	9,959,264	
	Retirees, Beneficiaries and Deferred Members	11,920,855	
	Total	21,880,119	
2	Determination of Unfunded Actuarial Accrued Liability (UAAL)		
	Crest Forest Fire Protection Contribution Requirement Towards UAAL		<u>General Members</u>
i	Annual Payroll for 2011/2012 Plan Year	54,706	2,311,042
ii	UAAL Contribution Rate (% of Pay) – Before Reflecting Phase-in	16.06%	33.15%
iii	Amortization Factor (ratio of UAAL payment to UAAL for cost group)	0.087696	0.089355
iv	i * ii / iii	<u>100,185</u>	<u>8,573,783</u>
	Total		8,673,968

**Table 4 Determination of Employer and Member Contributions and Benefit Payments From 7/1/2011 to 11/30/2012**

		<u>Employer Contributions</u>	<u>Member Contributions</u>
1	<u>Employer and Member Contributions From 7/1/2011 to 11/30/2012<sup>(1)</sup></u>		
	Actual Contributions From 7/1/2011 to 8/31/2012	1,444,715	224,238
2	Projected Contributions From 9/1/2012 to 11/30/2012 <sup>(2)</sup>	<u>329,813</u>	<u>37,905</u>
3	Total Contributions From 7/1/2011 to 11/30/2012	1,774,528	262,142
	<u>Benefit Payments From 7/1/2011 to 11/30/2012<sup>(1)</sup></u>		
1	Actual Payments From 7/1/2011 to 8/31/2012		<u>Total Benefits</u>
2	Projected Payments From 9/1/2012 to 11/30/2012 <sup>(2)</sup>	982,325	982,325
3	Total Payments From 7/1/2011 to 11/30/2012	<u>210,042</u>	<u>210,042</u>
		1,192,367	1,192,367
Note:			
(1)	Excludes Survivor Benefit contributions and benefit payments.		
(2)	We use actual contributions and benefit payments made through 8/31/2012. Contributions and benefit payments after 8/31/2012 have been projected assuming the same amount paid in August 2012 will continue through 11/30/2012.		



CREST FOREST FIRE PROTECTION DISTRICT of san bernardino county

January 8, 1987

M. Holly Haugh  
Assistant General Counsel  
The Trust for Public Land  
82 Second Street  
San Francisco, CA 94105

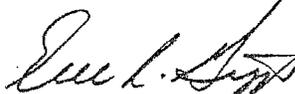
Dear Ms Haugh

Enclosed please find our proposed easement deed for the existing fire station in Rim Forest, California. Subsequent to an on site evaluation, considering present and future needs, we have determined the existing boundary contained in our Special Use Permit from the Forest Service to be most suitable.

It is our desire that no restrictions be made in the easement that would limit our ability to maintain, construct, and inhabit facilities commensurate with the operations of the Department both present and future.

Questions regarding this matter may be directed to the undersigned.

Sincerely Yours

  
ERIC R. GRIGGS  
Chief Engineer

da/csg



CREST FOREST FIRE PROTECTION DISTRICT of san bernardino county

An Easement is hereby granted to the Board of Directors of the Crest Forest Protection District of San Bernardino County, California; As administered through its Chief, on the following described lands and for the purpose defined:

A portion of the SW  $\frac{1}{4}$ , NE  $\frac{1}{4}$ , Sec 30, TWN 2N, RNG 3W, S.B.B.&M., more particularly described on the accompanying Plat which is hereby made a part of this instrument.

For the purpose of constructing, using, maintaining, operating, altering, adding to, repairing, replacing, reconstructing, and inhabiting facilities and amenities consistent with the present and future execution of the Districts statutory responsibilities.

Permission is granted for the exercising of all Rights, Privileges, and Responsibilities associated with the administration of this Easement under its terms.

In consideration of such use, the Easement is issued Free of Charge.

Owner understands and hereby acknowledges full responsibility and financial obligation in mitigating all effects caused or incurred through any mutual use of the above described land by protecting or replacing any existing facilities in use for the purposes outlined above and to the satisfaction of the Grantee.



CREST FOREST FIRE PROTECTION DISTRICT of san bernardino county

An Easement is hereby granted to the Board of Directors of the Crest Forest Protection District of San Bernardino County, California; As administered through its Chief, on the following described lands and for the purpose defined:

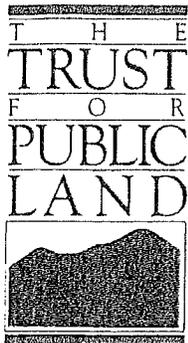
A portion of the SW  $\frac{1}{4}$ , NE  $\frac{1}{4}$ , Sec 30, TWN 2N, RNG 3W, S.B.B.&M., more particularly described on the accompanying Plat which is hereby made a part of this instrument.

For the purpose of constructing, using, maintaining, operating, altering, adding to, repairing, replacing, reconstructing, and inhabiting facilities and amenities consistent with the present and future execution of the Districts statutory responsibilities.

Permission is granted for the exercising of all Rights, Privileges, and Responsibilities associated with the administration of this Easement under its terms.

In consideration of such use, the Easement is issued Free of Charge.

Owner understands and hereby acknowledges full responsibility and financial obligation in mitigating all effects caused or incurred through any mutual use of the above described land by protecting or replacing any existing facilities in use for the purposes outlined above and to the satisfaction of the Grantee.



November 12, 1986

Eric Griggs - Fire Chief  
Crest Forest Fire District  
P.O. Box 3220  
Crestline, CA 92325

Dear Chief Griggs:

As you were informed in Mike Miller's letter of September 24, 1986, The Trust for Public Land expects to acquire from the U.S. Forest Service ownership of portions of Sections 29 and 30, T2N, R3W, S.B.M., in San Bernardino County, California. This property includes the land on which you have a Special Use Permit from the Forest Service dated September 19, 1951 for a fire station (station 30).

We expect to complete the transaction by December 31, 1986. In order to protect your use of the property, we must agree upon a satisfactory form of easement deed prior to our closing with the Forest Service. Therefore, I would request that you send me at the address indicated below your proposed easement deed for our review as soon as possible but in any case no later than December 5, 1986.

If you have any questions regarding this matter, please feel free to telephone me at (415) 495-5660. I look forward to hearing from you in the very near future.

Sincerely,

M. Holly Haugh  
Assistant General Counsel

MHH:ep

cc: Ernie Dierking  
Mike Miller  
Bennett Johnston

RECEIVED

NOV 14 1986

Crest Forest Fire Dist.

Case Designation:

USFS - San Bernardino  
Crest Forest Fire Department  
Garage, 4-8-51



### SPECIAL USE PERMIT

SAN BERNARDINO National Forest.  
County

Permission is hereby granted to BOARD OF SUPERVISORS for Crest #1/254 Fire Protection Dist.  
of Court House, San Bernardino, California

hereinafter called the permittee, to use, subject to the conditions set out below, the following-described lands or improvements:

**a portion of government land in SW SE RR, Section 30, T. 2 N., R. 5 W., SBB&M, Arrowhead Ranger District, and as shown more particularly on Map 2323 entitled Rim Forest Fire Station Site on file in forest Supervisor's office and which is hereby made a part of this permit.**

This permit covers .47 acres and/or \_\_\_\_\_ miles for the purpose of:

**constructing and maintaining thereon a garage (fire station) for housing of fire fighting equipment.**

The exercise of any of the privileges granted in this permit constitutes acceptance of all the conditions of this permit.

1. In consideration for this use, the permittee shall deposit with the Regional Fiscal Agent, Forest Service, **This permit is issued free of charge under the provisions of Regulation U-11**, a check, draft, or money order made payable

to the Treasurer of the United States in the sum of \_\_\_\_\_ dollars  
(\$ \_\_\_\_\_) for the period from \_\_\_\_\_, 19\_\_\_\_, to \_\_\_\_\_,  
19\_\_\_\_, and thereafter annually on \_\_\_\_\_

\_\_\_\_\_ dollars (\$ \_\_\_\_\_). The charges for this use may be readjusted from time to time to place this permit on a basis consistent with the charge to other permittees for like privileges.

2. Construction or occupancy and use under this permit shall begin in six months, and construction, if any, shall be completed within sixteen months, from the date of the permit. This use shall be actually exercised at least 365 days each year, unless otherwise authorized in writing.

3. Development plans; lay-out plans; construction, reconstruction, or alteration of improvements; or revision of lay-out or construction plans for this area must be approved in advance and in writing by the forest supervisor. Trees or shrubbery on the permitted area may be removed or destroyed only after the forest officer in charge has approved, and has marked or otherwise designated that which may be removed or destroyed. Merchantable timber cut must be paid for by the permittee. Trees, shrubs, and other plants may be planted in such manner and in such places about the premises as may be approved by the forest officer in charge.

4. The permittee shall maintain the improvements and premises to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the forest officer in charge.

5. This permit is subject to all valid claims.

6. The permittee, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county, and municipal laws, ordinances, or regulations which are applicable to the area or operations covered by this permit.

7. The permittee shall take all reasonable precautions to prevent and suppress forest fires. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a written permit from the forest officer in charge or his authorized agent.

8. The permittee shall exercise diligence in protecting from damage the land and property of the United States covered by and used in connection with this permit, and shall pay the United States for any damage resulting from negligence or from the violation of the terms of this permit or of any law or regulation applicable to the national forests by the permittee, or by any agents or employees of the permittee acting within the scope of their agency or employment.

9. The permittee shall fully repair all damage, other than ordinary wear and tear, to national forest roads and trails caused by the permittee in the exercise of the privilege granted by this permit.

10. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom unless it is made with a corporation for its general benefit.

11. Upon abandonment, termination, revocation, or cancellation of this permit, the permittee shall remove within a reasonable time all structures and improvements, except those owned by the United States, and shall restore the site, unless otherwise agreed upon in writing or in this permit. If the permittee fails to remove all such structures or improvements within a reasonable period, they shall become the property of the United States, but that will not relieve the permittee of liability for the cost of their removal and restoration of the site.

12. This permit is not transferable. If the permittee through voluntary sale or transfer, or through enforcement of contract, foreclosure, tax sale, or other valid legal proceeding shall cease to be the owner of the physical improvements situated on the land described in this permit and is unable to furnish adequate proof of ability to redeem or otherwise reestablish title to said improvements, this permit shall be subject to cancellation. But if the person to whom title to said improvements shall have been transferred in either manner above provided is qualified as a permittee, and is willing that his future occupancy of the premises shall be subject to such new conditions and stipulations as existing or prospective circumstances may warrant, his continued occupancy of the premises may be authorized by permit to him if, in the opinion of the forest supervisor, issuance of a permit is desirable and in the public interest.

13. In case of change of address, the permittee shall immediately notify the forest supervisor.

14. The temporary use and occupancy of the premises and improvements herein described may not be sublet by the permittee to third parties without the prior written approval of the forest supervisor and the permittee shall continue to be responsible for compliance with all conditions of this permit by persons to whom such premises may be sublet.

15. This permit may be terminated upon breach of any of the conditions herein or at the discretion of the regional forester or the Chief, Forest Service.

16. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses will control.

17. This permit is subject to the conditions set forth above and to conditions 18 to 20 attached hereto and made a part of this permit.

Date September 19, 1951

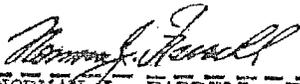
WORMAN J. FARRELL, Forest Supervisor

(Signature of issuing officer)

By

Walter J. Pugh, Acting

18. Location of buildings to be staked on the ground and approval secured from the District Ranger in writing before construction begins.
19. Any necessary grading, limbing or removal of trees will be approved by the District Ranger before construction is started. No unnecessary trimming or removal of trees will be permitted in order to effectively screen the buildings from the Highway.
20. Detailed layout plan and architectural design of building must be approved by District Ranger before being constructed.

  
NORMAN J. FARRELL, Forest Supervisor

/s/ Frank H. Mogle  
Chairman, Board of Supervisors,  
Governing Body of CREST #1 COUNTY FIRE  
PROTECTION DISTRICT.



8 August 1983

SUBJECT: Appraisal of a Government owned parcel of land located within the boundaries of the San Bernardino National Forest, County of San Bernardino, for a proposed trade transaction.

TO: WHOM IT MAY CONCERN

This letter will introduce Bradley T. Gayman, M.A.I., an independent Real Estate Appraiser whose business address is 2124 Garnet Avenue, San Diego, CA 92109, telephone (619) 270.6841.

The TRUST FOR PUBLIC LAND has contracted with Mr. Gayman to appraise the Fair Market Value of a parcel of land containing approximately 242 acres. This parcel is located westerly of Lake Arrowhead in the Twin Peaks area of the San Bernardino Mountains.

By providing Mr. Gayman with the information he requests, you will be making a direct contribution in the endeavor of this organization and of the U.S. Forest Service to obtain a reasonable and objective guide for determining relative values upon which to base a mutually advantageous exchange of lands.

Your cooperation and assistance is respectfully requested and will be greatly appreciated. If you have any questions regarding this matter, you may call me at the telephone number listed below.

  
Harriet Hunt-Burgess  
Vice President

HB/jo



SE 1/4 OF N.  
 SEC. 30 - T. 2 N. -  
 U. S. Govt.

BOUNDARY OF  
 1 ACRE AREA "C"

DIRT ROAD  
 S.U.P. # 1

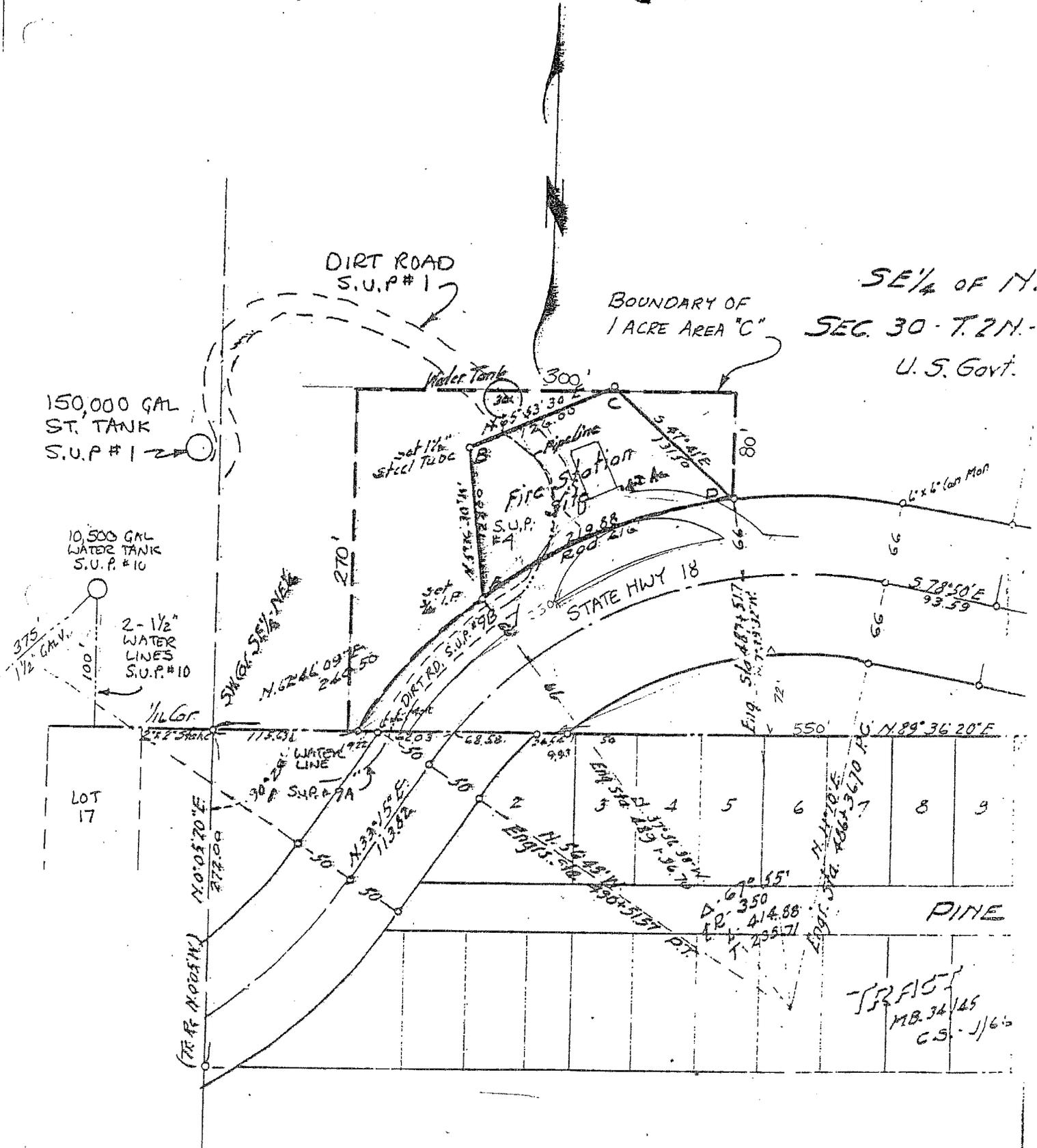
150,000 GAL  
 ST. TANK  
 S.U.P. # 1

10,500 GAL  
 WATER TANK  
 S.U.P. # 10

2-1/2" WATER  
 LINES  
 S.U.P. # 10

375'  
 1/2" GALV.

LOT  
 17



TRFIS  
 MB. 34/45  
 C.S. - 1/6"

RESOLUTION 14-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CREST FOREST FIRE PROTECTION DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, IMPOSING AND LEVYING SPECIAL TAXES ON PROPERTY WITHIN PARAMEDIC SERVICE ZONES PM-A AND PM-1 TO FINANCE PARAMEDIC RESCUE SERVICES WITHIN SAID ZONES FOR THE 2014/2015 FISCAL YEAR.**

The Board of Directors of the Crest Forest Fire Protection District, acting in its capacity as the governing board of Paramedic Services Zones PM-A and PM-1 of the District, resolves as follows:

**SECTION 1.** The Board of Directors hereby finds and determines:

- (a) That Paramedic Service Zones PM-A and PM-1 were legally formed and established under the authority of Chapter 2.2. Of Division 2, Title 3 of the Government Code (commencing with Section 25210.1) and is authorized to provide paramedic services within the Zones.
- (b) That the legal descriptions of the District and the Zones are on file in the offices of the Secretary/Clerk of the Board of the District.
- (c) That the voters within the PM-A Zone authorized and approved the special tax levied herein at the November 5, 1991 special election. The PM-1 Zone was transferred to the District in 2008 by action of the County's Local Agency Formation Commission (LAFCO).
- (d) A base appropriation limit for PM-A has heretofore been established in 1992 pursuant to the California Constitution by District Resolution 92-3. A base appropriation limit for PM-1 has heretofore been established by the action of LAFCO in 2008.

**SECTION 2.** The Board of Directors resolves and orders as follows:

- (a) There is hereby imposed and levied special taxes to finance paramedic services on each parcel, improvement to property, and the use of property within Paramedic Service Zones PM-A and PM-1 in the following manner:

PM-A: \$39.50 per year per individual dwelling unit ("IDU") defined as a single-family residence, and individual apartment unit, condominium or mobile home; \$45.00 per year per commercial unit ("CU") defined as an individual wholesale or retail business at a single location and \$24.50 per undeveloped parcel of real property ("UP") within the Zone.

PM-1: \$17.00 per year per individual dwelling unit ("IDU") defined as a single-family residence, and individual apartment unit, condominium or mobile home; \$17.00 per year per commercial unit ("CU") defined as an individual wholesale or retail business at a single location and \$17.00 per undeveloped parcel of real property ("UP") within the Zone.

These special taxes shall be for the 2014/2015 fiscal year, and shall be collected at the same time and in the same manner as ordinary County ad valorem taxes are collected and subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of County ad valorem property taxes shall be applicable to such taxes.

- (b) These taxes are imposed under the authority of California Government Code Section 50075, et seq., and with the approval and authorization of the voters within the Zones.
- (c) The taxes imposed by this resolution shall not be levied upon the Federal Government, the State Government, any state agency, or any local governmental agency.
- (d) The taxes collected pursuant to this resolution shall be used for no purpose other than providing funds and expenditure authorization for paramedic (emergency medical and rescue) services including ambulance transportation and the cost of obtaining, furnishing, operating, and maintaining equipment, paying salaries, benefits and other necessary expenses of providing such services for and within said Zones.

**SECTION 3.** The Secretary/Clerk of the Board of Directors is hereby ordered to certify to the passage of this Resolution and to file a certified copy thereof with the appropriate San Bernardino County Officials and shall give notice of the passage and contents thereof by causing the same to be published once in the Mountain-News, a newspaper of general circulation in the District and posting a copy of the Resolution at a public place within the boundaries of said PM-A and PM-1 Zones and the District where the notice of meetings of the Board of Directors is regularly posted.

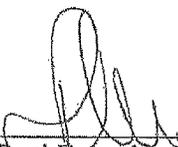
The Boards' secretary/clerk is authorized and directed to prepare and keep in his office a supply of copies of this proposed resolution, and to distribute them to any and all persons requesting one.

Resolution 14-04

PASSED AND ADOPTED this 15<sup>th</sup> day of April 2014.

  
\_\_\_\_\_  
Chuck Gibbs, President  
Crest Forest Fire Protection District Board of Directors

Attest:

  
\_\_\_\_\_  
Patti Forsythe, Secretary of the Board  
Crest Forest Fire Protection District

**RESOLUTION NO. 14-06  
RESOLUTION OF THE BOARD OF DIRECTORS OF  
CREST FOREST FIRE PROTECTION DISTRICT  
ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE  
FISCAL YEAR 2014-2015**

**WHEREAS**, Article 13B of the California Constitution places an annual limitation upon appropriations from proceeds of taxes by each local government of the State of California; and

**WHEREAS**, Section 7910 of the California Government Code implements Article 13B of the California Constitution by requiring each local jurisdiction to establish, by resolution, its appropriations limit for each fiscal year, beginning with 1980-1981, and to make the documentation used in determining each year's appropriations limit available to the public 15 days prior to adoption of the resolution establishing each year's appropriations limit; and

**WHEREAS**, in accordance with Senate Constitutional Amendment No. 1 approved by the voters of the State effective June 6, 1990, beginning with Fiscal Year 1990-91 and for each fiscal year thereafter, this Board of Directors is required to select either the percentage change in the California per capita personal income or the percentage change in the local assessment roll due to the addition of local non-residential construction, and either the population change within this District or the population change within San Bernardino County, as the two factors to be applied in adjusting the appropriations limit for each fiscal year; and

**WHEREAS**, this Board of Directors wishes to select, as factors in determining this District's appropriations limit for fiscal year 2014-2015, the percentage change in the California per capita personal income and also the population change within San Bernardino County; and

**WHEREAS**, this District has documented its calculations of the appropriations limit for this District for Fiscal Year 2014-15, and said calculations have been posted on this District's front door of Station 25 in Crestline, CA and thus have been made available to the public at least 15 days prior to the adoption of this Resolution;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Crest Forest Fire Protection District as follows:

1. For fiscal year 2014-2015, the factors selected for calculating the appropriations limit are (a) the percentage change in California per capita personal income, and (b) the population change within the County of San Bernardino.
2. The appropriations limit applicable to this District pursuant to Article 13B of the California Constitution for Fiscal Year 2014-15 is hereby established and determined to be the sum of \$7,039,517.
3. A copy of the documentation used in the determination of the 2014-2015 appropriations limit shall be affixed hereto and shall be available for public inspection.

4. Pursuant to Section 7910 of the California Government Code, any judicial action or proceeding to attack, review, set aside, void, or annul the establishment of the appropriations limit as set forth herein must be commenced within forty-five days of the adoption of this resolution.

ADOPTED this 17<sup>th</sup> day of June, 2014.

Chuck Gibbs  
President, Board of Directors  
CREST FOREST FIRE PROTECTION DISTRICT

ATTEST:

[Signature]  
Secretary, Board of Directors  
CREST FOREST FIRE PROTECTION DISTRICT

CREST FOREST FIRE DISTRICT

2013-14 APPROPRIATIONS LIMIT

2013-2014 Appropriations Limit \$7,001,011

2014-2015 Adjustment

Change in per capita income -0.23 percent

Change in population, San Bernardino County 0.78 percent

$$\frac{-0.23 + 100}{100} = 0.9977$$

$$\frac{0.78 + 100}{100} = 1.0078$$

$$1.9977 \times 1.0078 = 1.0055$$

$$\$7,001,011 \times 1.0055 = \$7,039,517$$

2014-2015 Appropriations Limit \$ 7,039,517

CERTIFICATION

I, Patti Forsythe, Secretary of the Board of Directors of the Crest Forest Fire Protection District, hereby certify that the foregoing is a full, true and correct copy of the Resolution adopted by the Board of Directors of said District at the regular meeting of said Board held on the 17 day of June, 2014, by the following vote:

AYES: JEROME RINGHOFFER SR., ROBERT COSS, CHUCK GIBBS,  
LESLIE DODGE-TANIGAI, JERRY KING, ROBERT JR  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

  
\_\_\_\_\_  
Acting Secretary