

REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
MONTECITO FIRE PROTECTION DISTRICT

Held at Fire District Headquarters, 595 San Ysidro Road, April 20, 2009. The meeting was called to order by President Jensen at 8:33 am. Present were Director Jensen, Director Venable, and Director Newquist. Others present at the meeting: B. Au, S. Basham, T. Edwards, H. Harkless, J. Jenkins, J. Langhorne, C. Lim, M. Manion, M. Nelson, G. Ventura, and K. Wallace.

1. There was no public comment.
2. On a motion made by Director Venable, seconded by Director Newquist, the minutes of the February 17, 2009 Adjourned Meeting were unanimously approved.
3. After a brief explanation of income and payments relating to employee housing the warrants and claims for the month of February and March 2009 were unanimously approved on a motion made by Director Newquist and seconded by Director Jensen.
4. Chief Wallace advised that the District typically receives reimbursements from fires in the spring; Resolution 2009-01 amends the current budget to include recent reimbursements.

On a motion made by Director Newquist, seconded by Director Jensen, the Board approved Resolution 2009-01 amending the Final Budget for Fiscal Year 2008-09 by the following roll call vote:

Ayes:	R.J. Jensen, J. Venable, D. Newquist
Noes:	None
Absent:	None

5. Ms. Harkless from the County Auditor-Controller's Office reviewed required communications, financial highlights, and new accounting standards that were included in the 2008 Audit. She advised that we had a "clean opinion" for their report, which is the best rating an agency can receive. She added that Montecito Fire District personnel have always provided full cooperation with the auditors. Her presentation is attached to these minutes.

The Board took no action.

6. Brad Au fro AON consulting reviewed the July 2007 draft actuarial valuation study for post retirement health benefits.

He explained that the GASB OPEB (Other Post Employment Benefits) standard dictates how you account for these benefits and becomes effective 2009/10.

He reviewed the options the District has to meet the requirements, which includes continuing to “pay as you go” which the District currently does, and prefunding. “Pay as you go” appears as a negative liability on the District’s financial portfolio; prefunding goes into an irrevocable trust which provides for funding for future benefits.

The actuarial calculations are based on current activities, retirees, the probability of turnover, retirement mortality and future healthcare costs increases.

Director Venable asked if the District can utilize other firms besides Cal Pers to manage prefunding the GASB45 OPEB. Mr. Au said that the District can hire any firm or manage the fund itself.

Chief Wallace advised that we need to build something into the 2009/10 Fiscal Budget if the Board chooses to prefund for GASB45.

Director Newquist suggested that the District consider floating a bond to cover the cost of prefunding. Mr. Au stated that his firm can help research funding options, including bond initiatives.

Chief Wallace advised the Board that if nothing is done by October, it will default to “pay as you go”.

Mr. Au advised that Cal PERS is an easy solution and they are very accommodating, but there are other options, such as PARS.

The Board directed the Fire Chief to arrange for a special meeting on May 11, 2009 at 8:30 am to discuss funding options with AON representatives via a conference call.

The Board took no action.

7. Chief Wallace reported that the Carpinteria / Summerland Fire Protection District has proposed sharing the District’s mechanic by utilizing our mechanic to provide preventive maintenance on their engines. He advised that the money from a contract with Carpinteria / Summerland Fire Protection District would help fund a mechanic’s vehicle and tools.

Chief Wallace advised that he will prepare an agreement for mechanic services for Carpinteria / Summerland Fire Protection District for the Board’s consideration.

He added that Carpinteria / Summerland Fire Protection District has given Santa Barbara County Sheriff’s Department a one year notice to end their

agreement for dispatching services and have indicated that they will initiate an RFP for dispatching services for our consideration in July.

The Board took no action.

8. Mark Manion and Susan Basham of Price, Postel and Parma provided Ethics training for the Board. Their presentation is attached to the minutes.

9. Fire Chief's Report

Chief Wallace reported on several issues including: the Santa Maria tanker base closing; private party fireworks display on April 11; continued research for siren installation; EMSA interpretation on medical responses; Staff and Officer Workshop on March 24-25; and the FDAC Annual conference April 16-18.

10. For future agenda items, Director Newquist asked to add a cost break down and report from the Annual Staff and Officer Workshop for the May 18, 2009 general meeting.

11. Director Jensen adjourned the meeting at 11:35 am.