



**BIG BEAR CITY COMMUNITY SERVICES DISTRICT
NOTICE OF SPECIAL MEETING**

A special meeting of the Board of Directors of the Big Bear City Community Services District will be held on Thursday June 15, 2017, at 4:00 p.m. This meeting will be held at the Big Bear City Community Services District Office located at 139 E. Big Bear Blvd., Big Bear City, CA 92314 and by Tele-Conference at 45981 Highway 74, Palm Desert, CA 92260.

The business to be transacted at this special meeting will be:

CALL TO ORDER & PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

OPEN SESSION

- A. Discussion of Matters of Equity through Consolidation of the Big Bear City Community Services District and the Big Bear Lake Fire Protection District – Discussion and Possible Action
- B. General Fund property Tax Revenue Sources and Uses – Discussion and Possible Action

ADJOURNMENT

DATED: June 14, 2017

John Green (jrg)
John Green, President of the Board
Big Bear City Community Services District



Big Bear City Community Services District


P. O. BOX 558 • 139 EAST BIG BEAR BLVD. • BIG BEAR CITY • CALIFORNIA • 92314

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STAFF REPORT AND RECOMMENDATION JUNE 15, 2017 SPECIAL BOARD MEETING

DATE: June 15, 2017

TO: President and Board of Directors

FROM: Jeff Willis, Fire Chief 

SUBJECT: DISCUSSION OF MATTERS OF EQUITY THROUGH CONSOLIDATION OF BIG BEAR CITY COMMUNITY SERVICES DISTRICT AND BIG BEAR LAKE FIRE PROTECTION DISTRICT

BACKGROUND

At the Fire Authority meeting held on April 25, 2017, the Board directed the Fire Chief to bring to the Administrative Committee the question of equity, and to create an agreement between the member agencies that protects them after consolidation.

On May 17, 2017, staff gave the Fire Authority's Administrative Committee a presentation regarding a list of items that are relevant to equitable consolidation.

Big Bear Lake Fire Protection District (FPD) held a Special Board meeting on June 5, 2017, regarding the use of Fund Balance to pay down the liability for SBCERA pool movement. During that meeting, discussion involved the various assets and liabilities that the member agencies of the Fire Authority would be bringing to the consolidation process. Board and staff agreed that Big Bear City Community Services District (CSD) Board should have this same type of discussion regarding CSD assets and liabilities.

At the Fire Authority meeting held on June 6, 2017, staff presented a timeline for consolidation to the Board with the expectation that matters of equity shall be resolved by December 20, 2017.

DISCUSSION

There are three distinct "in-process" projects that could impact the decision on how to allocate resources. These projects are the Master Plan, the represented Safety Members' Memorandum of Understanding and the 2018-19 Combined Agency Budget.

It is difficult for staff to calculate items that will create an equitable consolidation of member agencies into the Fire Authority at this time. Most importantly, the Fire Authority has not yet determined which pension system will be used for the fully consolidated agency: CalPERS or SBCERA. There are significant cost factors that will need to be considered by the Fire Authority Board and subsequent cost/benefit effects on its member agencies. An actuarial firm has been engaged to conduct the cost analysis regarding the effects of SBCERA vs. CalPERS. This report is scheduled to be presented to the Fire Authority Board at the August 1, 2017 Board meeting.

STAFF RECOMMENDATION

Staff recommends to the Board to receive this informational presentation and discuss and provide further direction regarding the equitable allocation of assets and liabilities to be applied to the combined agency through the consolidation process.



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STAFF REPORT AND RECOMMENDATION JUNE 15, 2017 SPECIAL BOARD MEETING

DATE: June 15, 2017

TO: President and Board of Directors

FROM: Jeff Willis, Fire Chief 

SUBJECT: GENERAL FUND PROPERTY TAX REVENUE SOURCES AND USES

BACKGROUND

On June 6, 2016, the Board approved the BBBCSD Fire and Ambulance budgets for fiscal year 2016-17. With the approval of the annual budget, financial management of CSD Fire and Ambulance operations were transferred to Big Bear Fire Authority. Beginning July 1, 2016, the Fire Authority has been accounting for the revenue and expenses of CSD Fire and Ambulance operations. Big Bear Lake Fire Protection District (Fire Protection District) has also transferred financial management to the Fire Authority as of July 1, 2016.

DISCUSSION

Historically, General Fund property tax of CSD has been directed to CSD Fire and Ambulance operations. General Fund revenue contributes one-third of the operating revenue for the Fire Department. Discussion has occurred at the Fire Authority Administrative Committee regarding matters of revenues and expenses, along with current and future matters of equity. Discussion has occurred regarding the need for an agreement between CSD, the Fire Protection District and the Fire Authority, obligating CSD General Fund property tax revenue out into future years. There is an idea that it is in the best interest of the Fire Authority member agencies to create an agreement regarding future obligations. Future obligations include all revenue sources as well as payment for existing Fire Department liabilities owed to the CSD.

This is brought to the Board's attention as a potential matter of concern for the Fire Authority and extends to the Fire Protection District. In addition, staff is seeking acknowledgement that with the approval of fiscal year 2016-17 Fire and Ambulance budgets, the CSD Board also authorized the transfer of General Fund property tax revenue to the CSD Fire Department as managed by the Fire Authority (see attached CSD Resolution No. 2016-03). This is the historical practice within CSD and this practice will continue within the consolidated Fire Authority.

STAFF RECOMMENDATION

1. Approve the transfer of all General Fund property tax of CSD to CSD Fire Department for fiscal year 2016-17.
2. Authorize staff to pursue the development of an agreement between CSD, the Fire Protection District and the Fire Authority to include expected revenue sources and uses.

RESOLUTION 2016-03

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BIG BEAR CITY COMMUNITY SERVICES DISTRICT, AUTHORIZING THE CREATION OF A
BUSINESS CHECKING ACCOUNT WITH MUFG UNION BANK, N.A.**

WHEREAS, the Board of Directors hereby finds that the deposit and withdrawal of money in MUFG Union Bank, N.A. for the purpose of conducting the business transactions of the Fire Department; with oversight by the Fire Chief and directed by the Fire Authority Senior Finance Officer is in the best interest of the Big Bear City Community Services District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Big Bear City Community Services District:

1. Authorize the deposit and withdrawal of Big Bear City Community Services District monies in MUFG Union Bank, N.A. for the purpose of conducting Fire Department business.
2. The banking transactions will have oversight of the Fire Chief and will be directed by the Fire Authority Senior Finance Officer.

BE IT FURTHER RESOLVED, as follows:

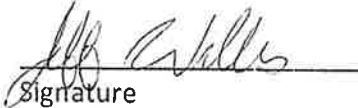
The following Big Bear Lake Fire Authority officers holding the title(s) specified herein below or their successor's in office are each hereby authorized to order the deposit or withdrawal of monies in the MUFG Union Bank, N.A. and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

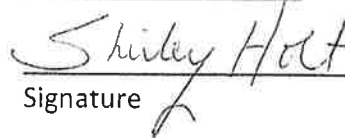
Jeff Willis

Shirley Holt

Fire Chief

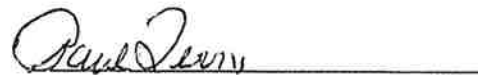
Senior Finance Officer


Signature



Signature

PASSED, APPROVED, and ADOPTED by the Big Bear City Community Services District Board of Directors at its regular meeting held the 18th day of April 2016, by the following roll call vote:

AYES:	DIRECTORS:	GREEN, OXANDABOURE, WALSH, TERRY, ZIEGLER
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	NONE
ABSTAINS:	DIRECTORS:	NONE


Paul Terry, President
of the Board of Directors

ATTEST:


Mary T. Reeves, Secretary
of the Board of Directors