



NORTH CENTRAL FIRE PROTECTION DISTRICT PARS RETIREMENT PLAN



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

January 1, 2023 Funding Valuation

For 2023/24 and 2024/25 Contributions

Doug Pryor, ASA, EA, MAAA
Braelen Ballard, ASA, EA, MAAA
Katherine Moore, ASA, MAAA
Foster & Foster, Inc.

February 15, 2024

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BENEFIT SUMMARY

■ Plan Effective Date	■ January 1, 2019
■ Eligibility	<ul style="list-style-type: none"> ■ Full-time employees employed on or after January 1, 2019 ■ Fire Chief excluded from participation
■ Retirement Benefit	<ul style="list-style-type: none"> ■ Eligibility <ul style="list-style-type: none"> • Age 50 (52 for Miscellaneous) with 5 years of service ■ Benefit <ul style="list-style-type: none"> • Retirement Age Factor x Final Average Compensation x Benefit Service
■ Retirement Age Factors	<ul style="list-style-type: none"> ■ Tier 1 (Safety): 2% at 57 ■ Tier 2 (Miscellaneous): 2% at 62



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BENEFIT SUMMARY

■ Retirement Age Factors	<u>Age</u>	<u>2%@57</u>	<u>2%@62</u>
	50	1.426%	0.000%
	51	1.508%	0.000%
	52	1.590%	1.000%
	53	1.672%	1.100%
	54	1.754%	1.200%
	55	1.836%	1.300%
	56	1.918%	1.400%
	57	2.000%	1.500%
	58	2.000%	1.600%
	59	2.000%	1.700%
	60	2.000%	1.800%
	61	2.000%	1.900%
	62	2.000%	2.000%
	63	2.000%	2.100%
	64	2.000%	2.200%
	65	2.000%	2.300%
	66	2.000%	2.400%
	67+	2.000%	2.500%



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BENEFIT SUMMARY

<ul style="list-style-type: none"> ■ Benefit Service 	<ul style="list-style-type: none"> ■ Full-time service with District on or after January 1, 2019 ■ 1/12 of a year for each full-time month of employment
<ul style="list-style-type: none"> ■ Final Average Compensation 	<ul style="list-style-type: none"> ■ Highest average annual compensation paid to employee during any 36 consecutive months of employment with the District, capped at PEPRAs Compensation Limit.
<ul style="list-style-type: none"> ■ PEPRAs Compensation Limit 	<ul style="list-style-type: none"> ■ 120% of 2012 Social Security wage base adjusted with CPI (\$175,250 as of 2023)
<ul style="list-style-type: none"> ■ Employee Contributions 	<ul style="list-style-type: none"> ■ 50% of Entry Age Normal Cost ■ Calculated as % of pay up to PEPRAs pay limit ■ Depends on discount rate and other actuarial assumptions ■ Based on current valuation (% of pay): <ul style="list-style-type: none"> • 13.75% for Safety • 12.50% for Miscellaneous



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BENEFIT SUMMARY

<ul style="list-style-type: none"> ■ Termination Benefit 	<ul style="list-style-type: none"> ■ Non-vested (less than 5 years service): Refund of employee contributions with 3% interest per year ■ Vested (5+ years service) Retirement Benefit payable when employee reaches age requirement
<ul style="list-style-type: none"> ■ Disability Benefit 	<ul style="list-style-type: none"> ■ None
<ul style="list-style-type: none"> ■ Pre-retirement Death Benefit 	<ul style="list-style-type: none"> ■ Eligible if vested employee dies prior to retirement eligibility ■ Payable to surviving spouse or registered domestic partner at date employee would have reached retirement eligibility ■ Retirement Benefit actuarially reduced 100% J&S option
<ul style="list-style-type: none"> ■ Normal Form of Payment 	<ul style="list-style-type: none"> ■ Life-only annuity ■ Optional forms available (actuarially equivalent) <ul style="list-style-type: none"> • 100% J&S and • 100% J&S with popup
<ul style="list-style-type: none"> ■ Cost-of-Living Increases 	<ul style="list-style-type: none"> ■ 2% per annum on retirement anniversary date



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DATA SUMMARY

Actives

	January 1, 2021 ¹			January 1, 2023		
	Safety	Misc.	Total	Safety	Misc.	Total
■ Actives						
• Counts	58	6	64	69	8	77
• Average						
➤ Age	32.7	45.5	33.9	32.8	41.6	33.7
➤ District Service	1.0	1.3	1.1	2.3	1.8	2.3
➤ Pensionable Pay (amounts in 000's)	\$67	\$56	\$66	\$71	\$59	\$70
• Total Pensionable Pay (amounts in 000's)	3,884	336	4,221	4,882	470	5,352

¹ Includes 12 actives hired after 1/1/2021.



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DATA SUMMARY

Inactives

	January 1, 2021			January 1, 2023		
	Safety	Misc.	Total	Safety	Misc.	Total
■ Terminations (due refund of employee contributions)	-	-	-	n/a	n/a	9
■ Retirees & Beneficiaries						
• Counts	-	-	-	-	1	1
• Average						
➤ Age	n/a	n/a	n/a	n/a	60.7	60.7
➤ Retirement Age	n/a	n/a	n/a	n/a	n/a	n/a
➤ Monthly Benefit	n/a	n/a	n/a	n/a	\$300	\$300



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DATA SUMMARY

Safety Actives by Age Group

Age Group	January 1, 2021 Valuation		January 1, 2023 Valuation	
	Count	Average Annual Pay	Count	Average Annual Pay
Under 25	11	\$ 56,600	14	\$ 58,600
25-29	16	57,300	16	63,700
30-34	11	61,000	16	65,000
35-39	9	80,000	7	72,700
40-44	6	78,500	11	88,000
45-49	2	110,600	1	113,200
50-54	2	74,700	2	102,800
55+	1	113,400	2	102,800
Totals/Averages	58	67,000	69	70,700



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DATA SUMMARY

Miscellaneous Actives by Age Group

Age Group	January 1, 2021 Valuation		January 1, 2023 Valuation	
	Count	Average Annual Pay	Count	Average Annual Pay
Under 25	-	-	-	n/a
25-29	-	-	1	\$ 56,300
30-34	2	\$ 51,600	2	52,700
35-39	-	-	1	55,600
40-44	1	46,800	1	53,100
45-49	-	-	1	75,000
50-54	1	62,700	1	65,900
55 +	2	61,700	1	58,800
Totals/Averages	6	56,000	8	58,700



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DATA SUMMARY

January 1, 2023
Actives by Age and Service
Safety

Age	District Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	25+	
Under 25	7	7	-	-	-	-	-	14
25-29	5	11	-	-	-	-	-	16
30-34	4	12	-	-	-	-	-	16
35-39	1	6	-	-	-	-	-	7
40-44	-	11	-	-	-	-	-	11
45-49	-	1	-	-	-	-	-	1
50-54	-	2	-	-	-	-	-	2
55-59	-	1	-	-	-	-	-	1
60-64	-	1	-	-	-	-	-	1
65+	-	-	-	-	-	-	-	-
Total	17	52	-	-	-	-	-	69



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DATA SUMMARY

January 1, 2023
Actives by Age and Service
Miscellaneous

Age	District Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	25+	
Under 25	-	-	-	-	-	-	-	-
25-29	1	-	-	-	-	-	-	1
30-34	1	1	-	-	-	-	-	2
35-39	-	1	-	-	-	-	-	1
40-44	1	-	-	-	-	-	-	1
45-49	1	-	-	-	-	-	-	1
50-54	-	1	-	-	-	-	-	1
55-59	-	1	-	-	-	-	-	1
60-64	-	-	-	-	-	-	-	-
65+	-	-	-	-	-	-	-	-
Total	4	4	-	-	-	-	-	8



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Discount Rate Analysis

- Foster & Foster future expected returns
- Stochastic simulations of geometric average returns over 20 years
- 5,000 trials
- 2.50% inflation assumption
- Projections based on 8 independent Investment Advisors 2021 10-year Capital Market Assumptions and where available, investment advisors anticipated long-term trends



PARS Fund Options²

■ Target Allocation

	Capital Appreciation	Balanced	Moderate	Moderately Conservative	Conservative
• Global Equity	75%	60%	50%	30%	15%
• Fixed Income	20%	35%	45%	65%	80%
• Cash	<u>5%</u>	<u>5%</u>	<u>5%</u>	<u>5%</u>	<u>5%</u>
• Total	100%	100%	100%	100%	100%

■ Discount Rate - Confidence Level

	Capital Appreciation	Balanced	Moderate	Moderately Conservative	Conservative
• 50%	6.25%	5.75%	5.50%	4.50%	4.00%
• 55%	6.00%	5.50%	5.25%	4.50%	3.75%
• 60%	5.50%	5.25%	5.00%	4.25%	3.75%

² The District has elected PARS Moderate



ACTUARIAL ASSUMPTIONS & METHODS

Assumption	January 1, 2021 Valuation	January 1, 2023 Valuation
<ul style="list-style-type: none"> ■ Valuation Date 	<ul style="list-style-type: none"> ■ January 1, 2021 ■ ADC for Fiscal Years <ul style="list-style-type: none"> • 2021/22 • 2022/23 	<ul style="list-style-type: none"> ■ January 1, 2023 ■ ADC for Fiscal Years <ul style="list-style-type: none"> • 2023/24 • 2024/25
<ul style="list-style-type: none"> ■ Funding Policy 	<ul style="list-style-type: none"> ■ Full ADC prefunding, including administrative expenses 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Discount Rate 	<ul style="list-style-type: none"> ■ 5.75% 	<ul style="list-style-type: none"> ■ 5.50%
<ul style="list-style-type: none"> ■ General Inflation 	<ul style="list-style-type: none"> ■ 2.75% 	<ul style="list-style-type: none"> ■ 2.50%
<ul style="list-style-type: none"> ■ Aggregate Payroll Growth 	<ul style="list-style-type: none"> ■ 3.00% 	<ul style="list-style-type: none"> ■ 2.75%



ACTUARIAL ASSUMPTIONS & METHODS

Assumption	January 1, 2021 Valuation	January 1, 2023 Valuation
<ul style="list-style-type: none"> ■ Mortality, Retirement, Disability, Termination 	<ul style="list-style-type: none"> ■ CalPERS 1997-2015 Experience Study ■ Mortality projected fully generational with Scale MP-2020 ■ For members hired after age 30, additional service back to age 30 used for decrement purposes 	<ul style="list-style-type: none"> ■ CalPERS 2000-2019 Experience Study ■ Mortality projected fully generational with Scale MP-2021 ■ For members hired after age 30, additional service back to age 30 used for decrement purposes
<ul style="list-style-type: none"> ■ Reciprocity 	<ul style="list-style-type: none"> ■ None assumed 	<ul style="list-style-type: none"> ■ Same
<ul style="list-style-type: none"> ■ Basis for Assumptions 	<ul style="list-style-type: none"> ■ Mortality improvement based on Society of Actuaries tables ■ Inflation based on Plan's very long time horizon 	<ul style="list-style-type: none"> ■ Same



ACTUARIAL ASSUMPTIONS & METHODS

Method	January 1, 2021 Valuation	January 1, 2023 Valuation
■ Cost Method	■ Entry Age Normal	■ Same
■ Actuarial Value of Assets	■ Gains and losses recognized over a 5 year open period ■ Not less than 80% nor more than 120% of market value	■ Set equal to Market Value of Assets
■ Amortization Method	■ Level percentage of payroll, assuming 3% annual aggregate payroll growth	■ Level percentage of payroll, assuming 2.75% annual aggregate payroll growth



ACTUARIAL ASSUMPTIONS & METHODS

Method	January 1, 2021 Valuation	January 1, 2023 Valuation
■ Amortization Period	■ Projected 6/30/21 UAAL – 20-year fixed (closed) period	■ Projected 6/30/21 UAAL – 20-year fixed (closed) period (18 years remaining for 2023/24 ADC) ■ Subsequent assumption changes, plan changes, & gains/losses – 15-year fixed (closed) period with 5-year ramp up on investment gains/losses



ASSETS

Market Value of Plan Assets

	12/31/19	12/31/20	12/31/21	12/31/22	1/1/23 - 6/30/23
■ Market Value (Beginning of Period)	\$ -	\$543,329	\$1,467,126	\$2,503,593	\$3,232,876
• Contributions to Trust	525,180	783,927	963,675	1,194,855	643,955
• Distributions from Trust	(867)	(18,815)	(84,350)	(39,511)	(145,660)
• Administrative Expenses	(508)	(979)	(1,141)	(1,399)	(785)
• Investment Earnings	<u>19,524</u>	<u>159,664</u>	<u>158,282</u>	<u>(424,661)</u>	<u>251,519</u>
■ Market Value (End of Period)	543,329	1,467,126	2,503,593	3,232,876	3,981,905
■ Approximate Return	11.6%	17.4%	8.3%	(13.8)%	7.5%



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ASSETS

Actuarial Value of Plan Assets

- Historical ADCs based on smoothed Actuarial Value of Assets
 - Targeted 100% funding on a smooth path
- 1/1/23 valuation
 - Recommend change to market value
 - Better focus on true funded status
 - Future investment gains/losses will be amortized with 5 year ramp-up



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RESULTS

Actuarial Obligations

	1/1/2021	1/1/2023
■ Present Value of Benefits		
• Actives	\$ 20,806,719	\$29,684,820
• Terminations	-	65,073
• Retirees	-	<u>61,304</u>
• Total	20,806,719	29,811,197
■ Actuarial Accrued Liability		
• Actives	1,422,937	3,493,282
• Terminations	-	65,073
• Retirees	-	<u>61,304</u>
• Total	1,422,937	3,619,659
■ Assets	<u>1,376,647</u>	<u>3,232,876</u>
■ Unfunded AAL	46,290	386,783
■ Funded %	97%	89%



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RESULTS

Actuarial Gain/Loss Analysis

	Actuarial Accrued Liability (AAL)
■ Actual @ 1/1/21	\$ 1,422,937
■ Expected @ 1/1/23	3,775,823
■ Experience	
• More terminations than expected	(407,137)
• Salary increases less than expected	(120,364)
• Other demographic ³	229,553
■ Assumption Changes	
• 2000-2019 CalPERS Experience Study	20,356
• Mortality projection Scale MP-21	1,757
• Discount rate from 5.75% to 5.50% & Inflation	119,671
■ Total	(156,164)
■ Actual @ 1/1/23	3,619,659

³ Primarily increase in active employee counts



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RESULTS

Actuarial Obligations
January 1, 2023

	Safety	Miscellaneous	Total
■ Present Value of Benefits			
• Actives	\$28,212,521	\$1,472,299	\$29,684,820
• Terminations	65,073	=	65,073
• Retirees	<u>-</u>	<u>61,304</u>	<u>61,304</u>
• Total	28,277,594	1,533,603	29,811,197
■ Actuarial Accrued Liability			
• Actives	3,276,816	216,466	3,493,282
• Terminations	65,073	=	65,073
• Retirees	<u>-</u>	<u>61,304</u>	<u>61,304</u>
• Total	3,341,889	277,770	3,619,659
■ Assets⁴	<u>2,984,787</u>	<u>248,089</u>	<u>3,232,876</u>
■ Unfunded AAL	357,102	29,681	386,783
■ Funded %	89.3%%	89.3%	89.3%

⁴ Assets allocated on Actuarial Accrued Liability.



RESULTS

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RESULTS

Development of Employee Contribution Rate

	Safety Rates	Miscellaneous Rates
■ Normal cost from 1/1/21 valuation (valuation date of most recent adjustment to the employee contribution) <ul style="list-style-type: none"> • Total normal cost rate • Final employee contribution rate (50% of total, rounded to nearest ¼%) 	26.02%	25.22%
■ Total normal cost rate from 1/1/23 valuation	27.26%	25.36%
■ Change in total normal cost rate from 1/1/21 valuation	1.24%	0.14%
■ Change employee contribution rate? The employee contribution rate is adjusted when the total normal cost rate changes by at least 1% of limited payroll, compared to the total normal cost rate from the valuation where the most recent adjustment was made.	Yes	No
■ Final employee contribution rate to be applied to PEPRA-limited payroll	13.75%	12.50%



RESULTS

Normal Cost
2023/24

	Safety	Miscellaneous	Total
■ Normal Cost <ul style="list-style-type: none"> • Total Normal Cost • Employee Contributions • Employer Normal Cost 	\$1,385,777	\$124,153	\$1,509,929
	<u>699,087</u>	<u>61,189</u>	<u>760,276</u>
	686,690	62,964	749,653
■ Payroll	5,084,269	489,512	5,573,781
■ Normal Cost % of Pay <ul style="list-style-type: none"> • Total Normal Cost • Employee Contributions • Employer Normal Cost 	27.26%	25.36%	27.09%
	<u>13.75%</u>	<u>12.50%</u>	<u>13.64%</u>
	13.51%	12.86%	13.45%



RESULTS

Actuarially Determined Contribution (ADC)

	1/1/21 Valuation		1/1/23 Valuation	
	2021/22	2022/23	2023/24	2024/25
■ Discount Rate	5.75%	5.75%	5.50%	5.50%
■ Employer ADC				
• Employer Normal Cost	\$526,656	\$542,456	\$749,653	\$770,269
• UAAL Amortization	<u>3,700</u>	<u>3,811</u>	<u>27,158</u>	<u>27,905</u>
• Total	530,356	546,267	776,811	798,173
■ Payroll	4,053,206	4,174,803	5,573,781	5,727,060
■ Employer ADC % of Pay				
• Employer Normal Cost	12.99%	12.99%	13.45%	13.45%
• UAAL Amortization	<u>0.09%</u>	<u>0.09%</u>	<u>0.49%</u>	<u>0.49%</u>
• Total	13.08%	13.08%	13.94%	13.94%



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Actuarially Determined Contribution (ADC)

Fiscal Year 2023/24

	Safety	Miscellaneous	Total
■ ADC			
• Employer Normal Cost	\$686,690	\$62,964	\$749,653
• UAAL Amortization ⁵	<u>25,034</u>	<u>2,124</u>	<u>27,158</u>
• Employer ADC	711,723	65,088	776,811
■ Payroll	5,084,269	489,512	5,573,781
■ ADC % of Pay			
• Employer Normal Cost	13.51%	12.86%	13.45%
• UAAL Amortization	<u>0.49%</u>	<u>0.43%</u>	<u>0.49%</u>
• Employer ADC	14.00%	13.30%	13.94%

⁵ Assets allocated on Actuarial Accrued Liability.



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RESULTS

Amortization Bases

	1/1/2021 Valuation		1/1/2023 Valuation	
	6/30/21	6/30/22	6/30/23	6/30/24
■ 1/1/21 Valuation	\$56,670	\$56,124	\$55,432	\$54,452
■ Assumption Changes & Experience (Gain)/Loss				
• 1/1/23 Valuation	<u>n/a</u>	<u>n/a</u>	<u>283,888</u>	<u>275,636</u>
■ Total	56,670	56,124	339,320	330,088



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RESULTS

Amortization Payments

	1/1/2021 Valuation		1/1/2023 Valuation	
	2021/22	2022/23	2023/24	2024/25
■ 1/1/21 Valuation	\$3,700	\$3,811	\$3,922	\$4,030
■ Assumption Changes & Experience (Gain)/Loss				
• 1/1/23 Valuation	<u>n/a</u>	<u>n/a</u>	<u>23,236</u>	<u>23,875</u>
■ Total	3,700	3,811	27,158	27,905
■ Amortization Years	20.0	19.0	15.4	14.4



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RESULTS

10-Year Projection Illustration

Fiscal Year	Benefit Payments	Pre Funding	Total Contribution	Payroll	Contribution % of Payroll
2023/24	\$39,922	\$736,889	\$776,811	\$5,573,781	13.9%
2024/25	38,567	759,606	798,173	5,727,060	13.9%
2025/26	40,266	779,857	820,123	5,884,554	13.9%
2026/27	37,165	805,511	842,676	6,046,379	13.9%
2027/28	43,637	822,213	865,850	6,212,655	13.9%
2028/29	49,808	839,853	889,661	6,383,503	13.9%
2029/30	62,462	851,665	914,127	6,559,049	13.9%
2030/31	78,247	861,018	939,265	6,739,423	13.9%
2031/32	99,262	865,833	965,095	6,924,757	13.9%
2032/33	122,869	868,766	991,635	7,115,188	13.9%



RESULTS

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PLAN RISKS

Actuarial Standard of Practice No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, requires the actuary to assess and disclose the risk that actual future measurements may differ significantly from expected future measurements.

- The following table presents various measures illustrating the plan's Risk Measures (amounts in 000's):

Risk Measures	January 1, 2021	January 1, 2023
● Actuarial Accrued Liability (AAL)	\$ 1,423	\$ 3,620
● Market Value of Assets	1,467	3,233
● Unfunded AAL (on MVA)	(44)	387
● Funded Ratio (MVA/AAL)	103%	89%
● UAAL (on MVA)/Payroll	(1%)	8%
● Covered Payroll for Fiscal Year End	3,994	5,097



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PLAN RISKS

- Higher volatility ratios mean that changes in plan assets have a larger impact on contributions than for lower ratios.
- The following table presents various measures illustrating the plan's Volatility Ratios

Volatility Measures	January 1, 2021	January 1, 2023
● Asset Volatility Index (MVA/Payroll)	37%	63%
● Liability (100% Funded) Volatility Index (AAL/Payroll)	36%	71%
● Maturity Ratio (Retiree Count/Total Count)	0%	1%
● Maturity Ratio (Retiree AAL/Total AAL)	0%	2%



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PLAN RISKS

Discussion of Plan Risks

- Plan risks:
 - Investment risk – potential that investment return will be different than expected
 - Asset/liability mismatch risk – potential that changes in asset values are not matched by changes in the value of liabilities
 - Longevity risk – the potential that participants will live longer than projected
 - Contribution risk – the potential that contributions will not be paid to the plan as necessary
- While these risks are inter-related, we believe investment risk is the most significant, since poor returns reduce the plan’s funded status and increase required contributions. As the plan moves to fully funded, negative cash flow can add to investment risk. In addition, note that investment losses will increase a plan’s unfunded actuarial liability by a very large percentage.
- The scope of this valuation did not include a risk assessment based on numerical calculations, but we have included expected benefit payments for the next 10 years as well as the historical funded status to assist in the plan’s management



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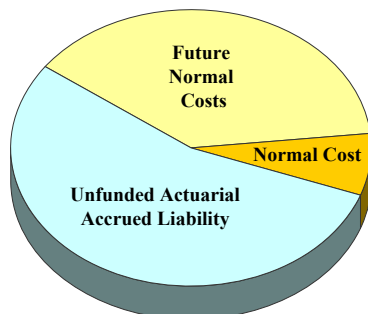
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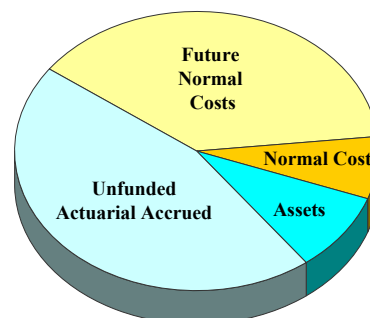
DEFINITIONS

Present Value of Projected Benefits (PVPB)

Present Value of Benefits
(Without Plan Assets)



Present Value of Benefits
(With Plan Assets)



- **PVPB – Present Value of all Projected Benefits**
 - Discounted value, at measurement date (valuation date) of all future expected benefit payments.
 - Expected benefit payments based on various actuarial assumptions



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DEFINITIONS

■ AAL – Actuarial Accrued Liability / Actuarial Obligation

- Discounted value at measurement date (valuation date) of benefits “earned” through measurement date based on actuarial cost method
- Portion of PVPB “earned” at measurement

■ NC – Normal Cost

- Value of benefits “earned” during current year by active employees
- Portion of PVPB allocated to current year

■ Actuarial Cost Method

- Determines how benefits are “earned” or allocated to each year of service
- Has no effect on PVPB
- Has significant effect on Actuarial Obligations and Normal Cost

■ Pay-As-You-Go Cost (PayGo)

- Actual benefit payments to retirees
- PayGo is the expected retiree benefit payments for the year, while Normal Cost is the expense for benefits accrued by active employees during the year



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ACTUARIAL CERTIFICATION

This report presents the North Central Fire Protection District PARS Retirement Plan (“Plan”) January 1, 2023 actuarial valuation. The purpose of this valuation is to provide:

- January 1, 2023 Benefit Obligations and Funded Status,
- 2023/24 and 2024/25 Actuarially Determined Contributions, and
- 2023/24 and 2024/25 PEPRAs member contribution rates.

The information in this report may not be appropriate for purposes other than District funding but may be useful to the District for the District’s financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on Plan provisions, participant data, and assets provided by the District as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,

Doug Pryor
ASA, MAAA, EA

Braeleen Ballard
ASA, MAAA, EA

Katherine Moore
ASA, MAAA



February 15, 2024

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AGREEMENT

This Service Agreement ("Agreement") is dated _____ and is between the North Central Fire Protection District, a California Fire Protection District ("District"), and the County of Fresno, a political subdivision of the State of California ("County").

Recitals

A. District desires to establish this Agreement with County, and County has the capability and capacity to provide certain dispatching services for fire suppression calls, which may include dispatching of non-transport first responder services from County's EMS Communications Center.

B. It is to the mutual benefit and in the best interest of the parties to have a combined EMS and Fire Dispatching Services for the purpose of providing improved services to the public.

C. It is a goal of the Parties to maintain consolidated dispatching services in Fresno County, and the Parties have determined that there is a need to provide EMS dispatching services and District Fire Dispatching Services through a centralized and combined effort by County's EMS Communications Center and District Fire.

D. County's EMS Communications Center is staffed and operated by K.W.P.H. Enterprises, doing business as American Ambulance, a California Corporation ("Provider") through that certain Emergency Medical Services and Provider Agreement for Emergency Ambulance Services, dated May 16, 2017 (County Agreement No. 17-218), by and between County and Provider, including all amendments thereto (the "EMS Provider Agreement").

The parties therefore agree as follows:

Article 1

District's Responsibilities

1.1 The District shall perform all of the services provided in Exhibit A to this Agreement, titled "District's Responsibilities."

1.2 **Representation.** The District represents that it is qualified, ready, willing, and able to perform all of the services provided in this Agreement.

1 (B) Terminate this Agreement by the non-appropriating governmental agency giving
2 the other party at least ninety (90) days advance written notice of an intention to
3 terminate.

4 **6.2 Termination for Breach.**

5 (A) Upon determining that a breach (as defined in paragraph (C) below) has
6 occurred, the County may give written notice of the breach to the District. The written
7 notice may suspend performance under this Agreement, and must provide at least 30
8 days for the District to cure the breach.

9 (B) If the District fails to cure the breach to the County's satisfaction within the time
10 stated in the written notice, the County may terminate this Agreement immediately.

11 (C) For purposes of this section, a breach occurs when, in the determination of the
12 County, the District has:

- 13 (1) Obtained or used funds illegally or improperly;
- 14 (2) Failed to comply with any part of this Agreement;
- 15 (3) Submitted a substantially incorrect or incomplete report to the County; or
- 16 (4) Improperly performed any of its obligations under this Agreement.

17 **6.3 Termination without Cause.** Under circumstances other than those set forth above,
18 this Agreement may be terminated by District or County upon giving the other party at least
19 ninety (90) days advance written notice of an intention to terminate.

20 **6.4 No Penalty or Further Obligation.** Any termination of this Agreement by the County
21 under this Article 6 is without penalty to or further obligation of the County.

22 **6.5 County's Rights upon Termination.** District shall compensate or provide funding to
23 County for Fire Dispatching Services performed prior to termination of this Agreement. This
24 section survives the termination of this Agreement.

25 **Article 7**

26 **Independent Contractor**

27 **7.1 Status.** In performing under this Agreement, the County, including its officers,
28 agents, employees, and volunteers, is at all times acting and performing as an independent

1 contractor, in an independent capaDistrict, and not as an officer, agent, servant, employee, joint
2 venturer, partner, or associate of the District.

3 7.2 **Verifying Performance.** The District has no right to control, supervise, or direct the
4 manner or method of the County's performance under this Agreement, but the District may
5 verify that the County is performing according to the terms of this Agreement.

6 7.3 **Benefits.** Because of its status as an independent contractor, the County has no
7 right to employment rights or benefits available to District employees. The County is solely
8 responsible for providing to its own employees all employee benefits required by law. The
9 County shall save the District harmless from all matters relating to the payment of County's
10 employees, including compliance with Social Security withholding and all related regulations.

11 7.4 **Services to Others.** The parties acknowledge that, during the term of this
12 Agreement, the County may provide services to others unrelated to the District.

13 **Article 8**

14 **Indemnity and Defense**

15 8.1 **Indemnity by District.** The District shall indemnify and hold harmless and defend
16 the County (including its officers, agents, employees, and volunteers) against all claims,
17 demands, injuries, damages, costs, expenses (including attorney fees and costs), fines,
18 penalties, and liabilities of any kind to the County, the District, or any third party that arise from
19 or relate to the performance or failure to perform by the District (or any of its officers, agents,
20 subcontractors, or employees) under this Agreement. The County may conduct or participate in
21 its own defense without affecting the District's obligation to indemnify and hold harmless or
22 defend the County.

23 8.2 **Indemnity by County.** The County shall indemnify and hold harmless and defend
24 the District (including its officers, agents, employees, and volunteers) against all claims,
25 demands, injuries, damages, costs, expenses (including attorney fees and costs), fines,
26 penalties, and liabilities of any kind to the District, the County, or any third party that arise from
27 or relate to the performance or failure to perform by the County (or any of its officers, agents,
28 subcontractors, employees, or Provider) under this Agreement. The District may conduct or

1 participate in its own defense without affecting the County's obligation to indemnify and hold
2 harmless or defend the District.

3 8.3 **Concurrent Negligence.** In the event of concurrent negligence on the part of County
4 or any of its officers, agents or employees, or Provider, and of District or any of its officers,
5 agents, or employees, the liability for any and all such claims, demands and actions in law or
6 equity for such costs and expenses (including attorneys' fees and costs), damages, and losses
7 shall be apportioned under the State of California's theory of comparative negligence as
8 presently established or as may be modified hereafter.

9 8.4 **Survival.** This Article 8 survives the termination of this Agreement.

10 **Article 9**

11 **Insurance**

12 9.1 The Parties shall comply with all the insurance requirements in Exhibit D to this
13 Agreement.

14 **Article 10**

15 **Inspections, Audits, and Public Records**

16 10.1 **Inspection of Documents.** During the term of this Agreement and for a period of
17 three (3) years after final payment under this Agreement, each party shall at any time during
18 business hours, and as often as the other party may deem necessary, make available to the
19 other party for examination all of the party's records and data with respect to the matters
20 covered by this Agreement. During the same period of time, each party shall also, upon request
21 by the other party, permit the other party to audit and inspect all such records and data
22 necessary to ensure the party's compliance with the terms of this Agreement.

23 10.2 **State Audit Requirements.** If the compensation under this Agreement exceeds
24 \$10,000, the County is subject to the examination and audit of the California State Auditor, as
25 provided in Government Code section 8546.7, for a period of three years after final payment
26 under this Agreement.

27 10.3 **Public Records.** The County is not limited in any manner with respect to its public
28 disclosure of this Agreement or any record or data that the District may provide to the County.

1 The County's public disclosure of this Agreement or any record or data that the District may
2 provide to the County may include but is not limited to the following:

3 (A) The County may voluntarily, or upon request by any member of the public or
4 governmental agency, disclose this Agreement to the public or such governmental
5 agency.

6 (B) The County may voluntarily, or upon request by any member of the public or
7 governmental agency, disclose to the public or such governmental agency any record or
8 data that the District may provide to the County, unless such disclosure is prohibited by
9 court order.

10 (C) This Agreement, and any record or data that the District may provide to the
11 County, is subject to public disclosure under the Ralph M. Brown Act (California
12 Government Code, Title 5, Division 2, Part 1, Chapter 9, beginning with section 54950).

13 (D) This Agreement, and any record or data that the District may provide to the
14 County, is subject to public disclosure as a public record under the California Public
15 Records Act (California Government Code, Title 1, Division 7, Chapter 3.5, beginning
16 with section 6250) ("CPRA").

17 (E) This Agreement, and any record or data that the District may provide to the
18 County, is subject to public disclosure as information concerning the conduct of the
19 people's business of the State of California under California Constitution, Article 1,
20 section 3, subdivision (b).

21 (F) Any marking of confidentiality or restricted access upon or otherwise made with
22 respect to any record or data that the District may provide to the County shall be
23 disregarded and have no effect on the County's right or duty to disclose to the public or
24 governmental agency any such record or data.

25 **10.4 Public Records Act Requests.** If the County receives a written or oral request
26 under the CPRA to publicly disclose any record that is in the District's possession or control,
27 and which the County has a right, under any provision of this Agreement or applicable law, to
28 possess or control, then the County may demand, in writing, that the District deliver to the

1 by both parties. The District acknowledges that County employees have no authority to modify
2 this Agreement except as expressly provided in this Agreement.

3 11.2 **Non-Assignment.** Neither party may assign its rights or delegate its obligations
4 under this Agreement without the prior written consent of the other party.

5 11.3 **Governing Law.** The laws of the State of California govern all matters arising from
6 or related to this Agreement.

7 11.4 **Jurisdiction and Venue.** This Agreement is signed and performed in Fresno
8 County, California. District consents to California jurisdiction for actions arising from or related to
9 this Agreement, and, subject to the Government Claims Act, all such actions must be brought
10 and maintained in Fresno County.

11 11.5 **Construction.** The final form of this Agreement is the result of the parties' combined
12 efforts. If anything in this Agreement is found by a court of competent jurisdiction to be
13 ambiguous, that ambiguity shall not be resolved by construing the terms of this Agreement
14 against either party.

15 11.6 **Days.** Unless otherwise specified, "days" means calendar days.

16 11.7 **Headings.** The headings and section titles in this Agreement are for convenience
17 only and are not part of this Agreement.

18 11.8 **Severability.** If anything in this Agreement is found by a court of competent
19 jurisdiction to be unlawful or otherwise unenforceable, the balance of this Agreement remains in
20 effect, and the parties shall make best efforts to replace the unlawful or unenforceable part of
21 this Agreement with lawful and enforceable terms intended to accomplish the parties' original
22 intent.

23 11.9 **Nondiscrimination.** During the performance of this Agreement, the District shall not
24 unlawfully discriminate against any employee or applicant for employment, or recipient of
25 services, because of race, religious creed, color, national origin, ancestry, physical disability,
26 mental disability, medical condition, genetic information, marital status, sex, gender, gender
27 identity, gender expression, age, sexual orientation, military status or veteran status pursuant to
28 all applicable State of California and federal statutes and regulation.

1 11.10 **No Waiver.** Payment, waiver, or discharge by the County of any liability or obligation
2 of the District under this Agreement on any one or more occasions is not a waiver of
3 performance of any continuing or other obligation of the District and does not prohibit
4 enforcement by the County of any obligation on any other occasion.

5 11.11 **Entire Agreement.** This Agreement, including its exhibits, is the entire agreement
6 between the District and the County with respect to the subject matter of this Agreement, and it
7 supersedes all previous negotiations, proposals, commitments, writings, advertisements,
8 publications, and understandings of any nature unless those things are expressly included in
9 this Agreement. If there is any inconsistency between the terms of this Agreement without its
10 exhibits and the terms of the exhibits, then the inconsistency will be resolved by giving
11 precedence first to the terms of this Agreement without its exhibits, and then to the terms of the
12 exhibits.

13 11.12 **No Third-Party Beneficiaries.** This Agreement does not and is not intended to
14 create any rights or obligations for any person or entity except for the parties.

15 11.13 **Authorized Signature.** The District represents and warrants to the County that:

16 (A) The District is duly authorized and empowered to sign and perform its obligations
17 under this Agreement.

18 (B) The individual signing this Agreement on behalf of the District is duly authorized
19 to do so and his or her signature on this Agreement legally binds the District to the terms
20 of this Agreement.

21 11.14 **Electronic Signatures.** The parties agree that this Agreement may be executed by
22 electronic signature as provided in this section.

23 (A) An “electronic signature” means any symbol or process intended by an individual
24 signing this Agreement to represent their signature, including but not limited to (1) a
25 digital signature; (2) a faxed version of an original handwritten signature; or (3) an
26 electronically scanned and transmitted (for example by PDF document) version of an
27 original handwritten signature.
28

1 (B) Each electronic signature affixed or attached to this Agreement (1) is deemed
2 equivalent to a valid original handwritten signature of the person signing this Agreement
3 for all purposes, including but not limited to evidentiary proof in any administrative or
4 judicial proceeding, and (2) has the same force and effect as the valid original
5 handwritten signature of that person.

6 (C) The provisions of this section satisfy the requirements of Civil Code section
7 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3,
8 Part 2, Title 2.5, beginning with section 1633.1).

9 (D) Each party using a digital signature represents that it has undertaken and
10 satisfied the requirements of Government Code section 16.5, subdivision (a),
11 paragraphs (1) through (5), and agrees that each other party may rely upon that
12 representation.

13 (E) This Agreement is not conditioned upon the parties conducting the transactions
14 under it by electronic means and either party may sign this Agreement with an original
15 handwritten signature.

16 11.15 **Counterparts.** This Agreement may be signed in counterparts, each of which is an
17 original, and all of which together constitute this Agreement.

18 **Article 12**

19 **Miscellaneous Provisions**

20 12.1 **Provider.** The parties hereto acknowledge that Provider, or its replacement, if any
21 during the term of the EMS Provider Agreement, will carry out County's provision of Fire
22 Dispatching Services herein. In the event of any such replacement of Provider, the replacement
23 EMS Provider Agreement will be on substantially the same terms as the EMS Provider
24 Agreement to the extent that it concerns this Agreement, as provided herein.

25 12.2 **Force Majeure.**

26 A. If either party hereto is rendered unable, wholly or in part, by Force Majeure to
27 carry out its obligations under this Agreement, that party shall give to the other party hereto
28 prompt written notice of the Force Majeure with full particulars relating thereto. Thereupon, the

1 obligations of the party giving the notice, so far as they are affected by the Force Majeure, shall
2 be suspended during, but no longer than, the continuance of the Force Majeure, except for a
3 reasonable time thereafter required to resume performance.

4 B. During any period in which either party hereto is excused from performance by
5 reason of the occurrence of an event of Force Majeure, the party so excused shall promptly,
6 diligently, and in good faith take all reasonable action required in order for it to be able to
7 promptly commence or resume performance of its obligations under this Agreement. Without
8 limiting the generality of the foregoing, the party so excused from performance shall, during any
9 such period of Force Majeure, take all reasonable action necessary to terminate any temporary
10 restraining order or preliminary or permanent injunctions to enable it to so commence or resume
11 performance of its obligations under this Agreement.

12 C. The party whose performance is excused due to the occurrence of an event of
13 Force Majeure shall, during such period, keep the other party hereto notified of all such actions
14 required in order for it to be able to commence or resume performance of its obligations under
15 this Agreement.

16 D. "Force Majeure" is defined as an Act of God, act of public
17 enemy, war, and other extraordinary causes not reasonably within the control of either of the
18 parties hereto.

19 [SIGNATURE PAGE FOLLOWS]
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21
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1 The parties are signing this Agreement on the date stated in the introductory clause.

2 NORTH CENTRAL FIRE PROTECTION
3 DISTRICT

COUNTY OF FRESNO

4
5 _____
6 Kenneth Abrahamian, Chairman

_____ Nathan Magsig, Chairman of the Board of
Supervisors of the County of Fresno

7
8 _____
9 Timothy V. Henry, Fire Chief

_____ Date

10 Attn: Fire Chief
11 15850 W. Kearney Blvd
12 Kerman, CA 93630

Attest:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

13 By: _____
14 Deputy

15 For accounting use only:

16 Org No.: 56201693
17 Account No.: 5039
Fund No.: 0001
Subclass No.: 10000

Exhibit A

District's Responsibilities

District shall perform the following functions:

(1) Provide all fire suppression services for all fire suppression calls dispatched by County's EMS Communications Center requiring District Fire apparatuses. During specific District events (i.e., Fourth of July, times of local disaster, or a large-scale emergency), District may assign a Command Officer to serve as a Temporary Dispatch Liaison to direct the assignment of District Fire resources, at which time deviation from routine dispatch procedures outlined herein will be granted.

(2) Allow District Radio frequencies to be used by County for the purpose of District Fire Dispatching Services.

(3) Consult with County's Representative in developing and adopting District Fire's Policies and Procedures relating to dispatch only. District must provide its District Fire's Policies and Procedures to County's Representative for review and acceptance that such policies and procedures are substantially consistent with the County's EMS Communication Center's Policies and Procedures, and do not create additional workload for staff or impact other programs in the County's EMS Communications Center.

(4) Provide continuing education and training to County's EMS Communications Center radio operators and staff regarding the dispatching and management of District Fire resources.

(5) Immediately transfer all calls to District for District Fire calls for service to County's EMS Communications Center.

(6) Participate in an internal quality improvement program, which includes the participation of County and PROVIDER.

(7) Provide operation and maintenance of all radio and computer equipment in District Fire apparatuses and fire stations.

(8) Be responsible for all costs associated with maintaining telecommunication lines and equipment between District and EMS Communications Center.

Exhibit B

County's Services

County shall be responsible for and provide each of the following:

(1) Provide to District dispatching services for fire suppression calls requesting or otherwise requiring response by District Fire apparatuses, which may include dispatching of non-transport first responder services, (collectively, the "District Fire Dispatching Services").

County shall provide District Fire Dispatching Services in accordance with the terms and subject to the conditions set out in this Agreement and using personnel of required skill, experience and qualifications.

(2) Select, configure, install, and maintain all dispatching equipment, hardware, software (including software licenses), and other technologies, except for radio infrastructure purchased by District, which will be utilized for triage and entry of information for District Fire Dispatching Services in County's EMS Communications Center computer-aided dispatch ("CAD") system. All dispatching equipment, hardware, software (including software licenses), and other technologies purchased and/or obtained under this Agreement shall be the sole property of County. The Parties hereby acknowledge that County's provision of District Fire Dispatching Services does not include any County provision of fire suppression services, and that County is providing District Fire Dispatching Services to District on a non-exclusive basis.

(3) Provide all District Fire Dispatching Services through County's EMS Communication Center through District Fire's radios and electronic communications in accordance with District Fire's Policies and Procedures related to dispatch only ("District Fire's Policies and Procedures") and as reviewed and accepted by County's EMS Director or designee (the "County's Representative"), as further provided in paragraph (2) of Exhibit A.

(4) Provide approved pre-arrival instructions to callers requesting District Fire Dispatch Services.

(5) Provide inter-agency coordination regarding requests for fire suppression service, mutual aid and auto aid services, and order specialized fire equipment from District or other agencies (e.g., hazardous materials equipment, or rescue) which may be needed to

Exhibit B

1 manage an incident, and perform other related duties, all in accordance with District Fire's
2 Policies and Procedures.

3 (6) Track all activity of District Fire's apparatuses utilizing the County's EMS
4 Communications Center CAD system.

5 (7) Develop and maintain processes which assist in dispatching signatories to
6 District automatic aid agreements to include those agencies outside the County's EMS
7 Communications Center. Such processes include Automatic Vehicle Location ("AVL"), unit
8 status and some form of CAD to CAD process where call information is automatically shared
9 between agencies regardless of dispatch center location. In the event an automatic aid agency
10 outside County's EMS Communications Center is unable to provide unit AVL and unit status,
11 the Parties agree to meet and confer on how to implement and determine cost sharing to
12 receive this information.

13 (8) Provide notification to chief officers and duty officers as needed for
14 applicable emergency incidents using phone, email, text or other contemporary method of
15 messaging according to District Fire's Policies and Procedures.

16 (9) Provide CAD software which is capable of tracking District's closest fire
17 unit, real-time call data/updates, GIS, radio channel, incident location, and resources.

18 (10) Provide the ability to send response-time data or additional required CAD
19 data to the fire reporting software known as Fire Records Management System ("Fire RMS").
20 The Fire RMS data shall include date and time call received in the secondary Public Safety
21 Answering Point ("PSAP") (i.e., EMS Communications phone pickup), unit alert, unit enroute,
22 unit arrival and unit available, for all units assigned to the call. In addition, it shall send incident
23 location, grid and call nature.

24 (11) Record all telephone and radio transmissions and provide instant playback
25 as needed. County shall retain recordings for a minimum of four (4) years from the date of
26 recording.

Exhibit B

1 (12) Provide any and all reports at the request of District; provided, however,
2 County must be given reasonable time to develop custom ad hoc reports or reports that are not
3 already developed.

4 (13) Provide a radio operator to dispatch District Fire's apparatuses twenty-four
5 (24) hours a day, seven (7) days a week, meeting the one hundred and twenty (120) second
6 total Alarm Handling (TAH) as outlined below. All radio operators and call-takers must be
7 certified by the National Academy of Emergency Dispatch at the Emergency Fire Dispatcher
8 level, or substitute training with prior approval of District. County shall provide a radio operator,
9 who is able to dispatch District Fire's apparatuses twenty-four (24) hours a day, seven (7) days
10 a week. Under this Agreement, District shall compensate County for a dedicated radio operator
11 to District's radio channel twelve (12) consecutive hours each day. The intent of the County is to
12 combine dispatch services of District Fire with dispatch services of another fire department that
13 also has a 12-hour dedicated radio operator to create a dedicated 24-hour radio operator that is
14 committed to both departments. In the event that District or the other department no longer
15 desires this arrangement, District will revert to a dedicated 12-hour radio operator, which District
16 shall determine the specific start and end times. The remaining 12 hours will be combined with
17 other departments on a non-dedicated basis.

18 (14) Provide a minimum of one (1) dispatch supervisor who shall be on duty at
19 County's EMS Communications Center twenty-four (24) hours a day, seven (7) days a week
20 and available to District's on-duty fire administration as needed.

21 (15) Maintain an up-to-date manual of District Fire's Policies and Procedures
22 (subject to review by County's Representative, as provided in Paragraph (3) of Exhibit A herein)
23 for all dispatch staff, and provide training and continuing education of dispatch staff as needed.

24 (16) It is the intent of both parties to achieve the recommendations outlined in
25 the National Fire Protection Association ("NFPA") Standard 1221 for the immediate dispatch of
26 a fire apparatus. The Total Alarm Handling (TAH) time will be measured from the time the
27 telephone is answered by the call taker at EMS Communications Center to the time that the first
28 fire apparatus is alerted to the incident either by radio, telephone, station alerting device or any

Exhibit B

1 other mutually agreed upon method of alerting. The TAH times shall be one hundred and
2 twenty (120) seconds or less in a minimum of ninety percent (90%) of incidents. The TAH time
3 measurement will exclude reassigned responses and other situations beyond the County's EMS
4 Communications Center control. County shall review all cases in which dispatches are over one
5 hundred and twenty (120) seconds, and results will be evaluated for improvement opportunities
6 by the Fire Dispatch Continuous Quality Improvement ("CQI") Committee. The Parties agree to
7 meet and confer to refine the list of situations stated hereinabove where one hundred and
8 twenty (120) second call processing may not be achievable. Modifications may be made to said
9 list of situations upon written mutual agreement between County's EMS Director or designee,
10 and District's Fire Chief or designee.

11 (17) Provide monthly reports on District key performance measures and other
12 areas as agreed upon by the Parties.

13 (18) Provide necessary support staff to respond within ten (10) days of a District
14 request for changes in CAD system, including GIS updates, response criteria, update of street
15 layers, CAD/mobile software updates, protocols and CAD/RMS interface(s).

16 (19) Develop a formal quality improvement process that identifies problems by
17 the field, formalizes a tracking mechanism, provides feedback to the sender, determines
18 solutions, establishes timelines for correction, shares the information with all dispatch personnel
19 and formalizes a CQI review of dispatcher performance.

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Exhibit C

Compensation

The County will be compensated for performance of its services under this Agreement as provided in this Exhibit C. The County is not entitled to any compensation except as expressly provided in this Exhibit C.

County will be compensated according to the following schedule:

Payment	Month	Payment Amount
1	Jul 2024	\$16,078
2	Aug 2024	\$16,078
3	Sep 2024	\$16,078
4	Oct 2024	\$16,078
5	Nov 2024	\$16,078
6	Dec 2024	\$16,078
7	Jan 2025	\$16,078
8	Feb 2025	\$16,078
9	Mar 2025	\$16,078
10	Apr 2025	\$16,078
11	May 2025	\$16,078
12	Jun 2025	\$16,078
13	Jul 2025	\$16,560.50
14	Aug 2025	\$16,560.50
15	Sep 2025	\$16,560.50
16	Oct 2025	\$16,560.50
17	Nov 2025	\$16,560.50
18	Dec 2025	\$16,560.50
19	Jan 2026	\$16,560.50
20	Feb 2026	\$16,560.50
21	Mar 2026	\$16,560.50
22	Apr 2026	\$16,560.50
23	May 2026	\$16,560.50
24	Jun 2026	\$16,560.50
25	Jul 2026	\$17,057.25
26	Aug 2026	\$17,057.25
27	Sep 2026	\$17,057.25
28	Oct 2026	\$17,057.25
29	Nov 2026	\$17,057.25
30	Dec 2026	\$17,057.25
31	Jan 2027	\$17,057.25
32	Feb 2027	\$17,057.25
33	Mar 2027	\$17,057.25
34	Apr 2027	\$17,057.25
35	May 2027	\$17,057.25
36	Jun 2027	\$17,057.25

Exhibit D

Insurance Requirements

1. Required Policies

Without limiting the indemnification of each party as stated in Article 8 above, it is understood and agreed that District and County shall maintain, at their sole expense, the following insurance policies or self-insurance programs including, but not limited to, an insurance pooling arrangement and/or Joint Powers Agreement to fund their respective liabilities through the term of this Agreement:

- (A) **Commercial General Liability.** Commercial general liability insurance with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000). This policy must be issued on a per occurrence basis. Coverage must include products, completed operations, property damage, bodily injury, personal injury, and advertising injury. Each party shall obtain an endorsement to this policy naming the other party, its officers, agents, employees, and volunteers, individually and collectively, as additional insureds, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insureds will apply as primary insurance and any other insurance, or self-insurance, maintained by each party is excess only and not contributing with insurance provided under the other party's policy.
- (B) **Automobile Liability.** Automobile liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages. Coverage must include any auto used in connection with this Agreement.
- (C) **Workers Compensation.** Workers compensation insurance as required by the laws of the State of California with statutory limits.

2. Additional Requirements

- (A) **Verification of Coverage for District.** Within 30 days after the District signs this Agreement, and at any time during the term of this Agreement as requested by the County's Risk Manager or the County Administrative Office, the District shall deliver, or cause its broker or producer to deliver, to the County Risk Manager, at 2220 Tulare Street, 16th Floor, Fresno, California 93721, or HRRiskManagement@fresnocountyca.gov, and by mail or email to the person identified to receive notices under this Agreement, certificates of insurance and endorsements for all of the coverages required under this Agreement.
 - (i) Each insurance certificate must state that: (1) the insurance coverage has been obtained and is in full force; (2) the County, its officers, agents, employees, and volunteers are not responsible for any premiums on the policy; and (3) the District has waived its right to recover from the County, its officers, agents, employees, and volunteers any amounts paid under any insurance policy required by this Agreement and that waiver does not invalidate the insurance policy.
 - (ii) The commercial general liability insurance certificate must also state, and include an endorsement, that the County of Fresno, its officers, agents, employees, and

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volunteers, individually and collectively, are additional insureds insofar as the operations under this Agreement are concerned. The commercial general liability insurance certificate must also state that the coverage shall apply as primary insurance and any other insurance, or self-insurance, maintained by the County shall be excess only and not contributing with insurance provided under the District's policy.

- (iii) The automobile liability insurance certificate must state that the policy covers any auto used in connection with this Agreement.

(B) **Verification of Coverage for County.** Within 30 days after the County signs this Agreement, and at any time during the term of this Agreement as requested by the District, the County shall deliver, or cause its broker or producer to deliver, to the District, certificates of insurance and endorsements for all of the coverages required under this Agreement.

- (i) Each insurance certificate must state that: (1) the insurance coverage has been obtained and is in full force; (2) the District, its officers, agents, employees, and volunteers are not responsible for any premiums on the policy; and (3) the County has waived its right to recover from the District, its officers, agents, employees, and volunteers any amounts paid under any insurance policy required by this Agreement and that waiver does not invalidate the insurance policy.
- (ii) The commercial general liability insurance certificate must also state, and include an endorsement, that the North Central Fire Protection District, its officers, agents, employees, and volunteers, individually and collectively, are additional insureds insofar as the operations under this Agreement are concerned. The commercial general liability insurance certificate must also state that the coverage shall apply as primary insurance and any other insurance, or self-insurance, maintained by the District shall be excess only and not contributing with insurance provided under the County's policy.
- (iii) The automobile liability insurance certificate must state that the policy covers any auto used in connection with this Agreement.

(C) **Acceptability of Insurers.** All insurance policies required under this Agreement must be issued by admitted insurers licensed to do business in the State of California and possessing at all times during the term of this Agreement an A.M. Best, Inc. rating of no less than A: VII.

(D) **Notice of Cancellation or Change.** For each insurance policy required under this Agreement, each party shall provide to the other party, or ensure that the policy requires the insurer to provide to the other party, written notice of any cancellation or change in the policy as required in this paragraph, not less than 30 days in advance of cancellation or change.

(E) **County's Entitlement to Greater Coverage.** If the District has or obtains insurance with broader coverage, higher limits, or both, than what is required under this Agreement, then the County requires and is entitled to the broader coverage, higher limits, or both.

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To that end, the District shall deliver, or cause its broker or producer to deliver, to the County's Risk Manager certificates of insurance and endorsements for all of the coverages that have such broader coverage, higher limits, or both, as required under this Agreement.

- (F) **Waiver of Subrogation for District.** The District waives any right to recover from the County, its officers, agents, employees, and volunteers any amounts paid under the policy of worker's compensation insurance required by this Agreement. The District is solely responsible to obtain any policy endorsement that may be necessary to accomplish that waiver, but the District's waiver of subrogation under this paragraph is effective whether or not the District obtains such an endorsement.
- (G) **Waiver of Subrogation for County.** The County waives any right to recover from the District, its officers, agents, employees, and volunteers any amounts paid under the policy of worker's compensation insurance required by this Agreement. The County is solely responsible to obtain any policy endorsement that may be necessary to accomplish that waiver, but the County's waiver of subrogation under this paragraph is effective whether or not the County obtains such an endorsement.
- (H) **County's Remedy for District's Failure to Maintain.** If the District fails to keep in effect at all times any insurance coverage required under this Agreement, the County may, in addition to any other remedies it may have, suspend or terminate this Agreement upon the occurrence of that failure, or purchase such insurance coverage, and charge the cost of that coverage to the District.
- (I) **District's Remedy for County's Failure to Maintain.** If the County fails to keep in effect at all times any insurance coverage required under this Agreement, the District may, in addition to any other remedies it may have, suspend or terminate this Agreement upon the occurrence of that failure, or purchase such insurance coverage, and charge the cost of that coverage to the County.
- (J) **Subcontractors.** The District shall require and verify that all subcontractors used by the County to provide services under this Agreement maintain insurance meeting all insurance requirements provided in this Agreement.