

1. Link to State Controller's website with the data list of compensation of Board or Commission members and staff:

<http://publicpay.ca.gov/Reports/SpecialDistricts/SpecialDistrict.aspx?fiscalyear=2012&entityid=1369>

2. Reimbursement and Compensation Policy:

3.3 Directors' Compensation and Reimbursement

The Fire District shall reimburse Board members at the rate of \$100.00 per meeting for all regularly scheduled Board Meetings, Special Meetings, and Committee Meetings when approved by the Board of Directors and when in response to subpoenas or legal actions to a maximum of \$400.00 per month.

The Board shall reimburse District Board members for reasonable expenses actually incurred while on Fire District business. Such reimbursement shall extend only to the bona fide expenses of District Board members, and shall not include recompense for a spouse's or companion's costs. Each Board member shall present a statement, supported by appropriate documentation, before reimbursement is made.

Board members may elect to participate in the appropriate district provided health insurance plan for themselves and their dependents not to exceed seven hundred fifty (\$750.00) per month. The remainder of the costs will be provided by the Director.

Board members may participate in the District Dental Program for Directors. The District currently contributes for each Board member \$122.00 per month to the District's self-funded dental plan. The dental plan year starts November 1 and concludes on October 31 of the following year. Dental claims are to be submitted to the Dental plan administrator (TLC) no later than 5:00 pm on October 31. Claims will be paid up to \$5,000.00 per director and their dependents and orthodontic claims up to \$1,500.00 per participant. (See plan documents for eligible expenses and pay out criteria.) Based on funding limitations if the total claims exceed the fund balance then claims will be paid out on a percentage basis with a guaranteed amount of \$1,464.00 per employee (as long as their approved claim is equal to or greater than the \$1,464.00).

Any Board member newly elected or appointed on or after January 1, 2012, will not receive the medical or dental stipend. Any Board member elected or appointed before January 1, 2012, will continue to receive the named benefits until such time as s/he leaves the Board, unless that benefit was waived by the Board member, in which case, the waiver is permanent. Any Board member who is eligible to receive the named benefits because s/he was elected or appointed before January 1, 2012, will be able to continue to receive the benefits if elected to a consecutive term on the Board. Any Board member who leaves the Board and is then later re-elected or appointed will not be eligible for these benefits. Board members are encouraged to decline health and dental benefits if they have other coverage.

Director compensation can be modified by vote of the Board per Health and Safety Code Section 13857.

5.12 Fire Board Employee Compensation Policy

The Fire Board values its represented and unrepresented employees and seeks to provide equitable compensation for each group and classification. The District's Board of Directors may observe this policy when adopting compensation plans and contracts covering District employees.

Principle No. 1 – Recruitment and Retention: Compensation should, when economically feasible, be set at a level sufficient to recruit and retain employees who are qualified and committed to provide high quality services to the community. One critical measure of whether compensation meets this criterion is whether there are a sufficient number of qualified applicants for advertised job openings.

Principle No. 2 – Fairness: The Board may strive to ensure its compensation program is fair and equitable from all legitimate perspectives, including the perspectives of the community, labor and management. The District may choose to survey public and private employers to evaluate the appropriateness and fairness of its compensation program. The Board is directly accountable to the District's constituents, and the Board accordingly retains the discretion to determine the fairness of all compensation programs.

Principle No. 3 – Transparency: Compensation for all District employees should be 100% transparent – i.e., the public should be able to see all pay elements, including the cost of all health, pension and welfare benefits, applicable to each employee. District pay packages should be simple and easily understood. Safeguards must be in place to prevent abuses such as pension spiking and maximizing overtime through manipulation.

Principle No. 4 – Fiscal Sustainability: All compensation commitments must be made consistent with principles of fiscal sustainability and to ensure the District's long term success in achieving its mission. Compensation adjustments must not compromise the District's ability to successfully meet its ongoing and future financial commitments. The Board may observe its Labor Relations Policy and Plan.

Principle No. 5 – Accountability: All compensation commitments must be expressly delineated and are subject to formal approval by the Board of Directors.

The Board will not abide "implied" or unwritten contracts, or unspecified "past practices," that purport to require employee compensation.

Principle No. 6 – Performance Based Pay: Whenever reasonably possible, compensation may be tied to merit and performance. The District may not permit pay increases based merely on the length of employment.

Principle No. 7 – Economic Climate: The District may consider the overall economic climate and condition affecting the District and its constituents when setting compensation levels, including regional economic indicators such as the rate of unemployment, inflation, current and projected revenues, and the District's anticipated ability to pay in the long term.

Principle No. 8 – Legal Compliance: The District will ensure that its pay practices comport with the Fair Labor Standards Act and, to the extent legally applicable, State law. The District renews its commitment to negotiate in good faith with labor pursuant to the Meyers-Milias-Brown Act ("MMBA"), and to abide by all requirements of the MMBA.

Principle No. 9 – Flexibility: The District may strive to remain flexible and innovative in light of changing conditions and improving technologies, and may continually re-evaluate its pay practices to ensure they are consistent with best practices.

3. Financial Reserves Policy:

5.11 Board Philosophy for Fire District Reserves (Amended 2/28/2012)

The Fire District's Reserve Policy has been developed to ensure adequate ongoing funding for operating expenses and liabilities to maintain funds for specific purposes and future uncertainties and to uphold the district's investment grade bond ratings. In addition, the District is to maintain a minimum fund balance of at least 50 percent of the operating revenues in the General Fund at Fiscal Year-End. The policy also ensures that the District's fiscal management adheres to all related Government Accounting Standards with proper classifications applied to all Reserve Funds. Specifically, the District maintains classified Reserve funds for:

- Cash Flow Management (Committed)
- Federal Emergency Management Agency (FEMA) Deployments (Committed)
- Budgetary Deficit (Committed)
- Public Employees Retirement System (PERS) Rate Stabilization (Assigned)

4. Link to LAFCo's site:

<http://lafco.smcgov.org/menlo-park-fire-protection-district>