

Office of Audit Services



CalPERS

Public Agency Review

Belmont Fire Protection District

**CalPERS ID: 1674807468
Job Number: FR15-002**

June 2016



California Public Employees' Retirement System
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June 30, 2016

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Laura Kirby, Management Analyst, City of Belmont
Belmont Fire Protection District
1 Twin Pines Lane, Suite 330
Belmont, CA 94002-3866

Dear Ms. Kirby:

Enclosed is our final report on the results of the public agency review completed for the Belmont Fire Protection District (Agency). The Office of Audit Services did not identify any instances of non-compliance with area reviewed as defined in the scope section of our report.

It was our pleasure to work with your Agency. We appreciate the time and assistance of you and your staff during this review.

Sincerely,

Original signed by Beliz Chappuie

BELIZ CHAPPUIE, Chief
Office of Audit Services

Enclosure

cc: Board of Directors, Belmont Fire Protection District
Risk and Audit Committee Members, CalPERS
Matthew G. Jacobs, General Counsel, CalPERS
Anthony Suine, Chief, BNSD, CalPERS
Renee Ostrander, Chief, EAMD, CalPERS
Carene Carolan, Chief, MAMD, CalPERS

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RESULTS IN BRIEF

The California Public Employees' Retirement System (CalPERS) Office of Audit Services (OAS) previously issued a compliance review of the Belmont Fire Protection District (Agency) on June 26, 2015 that excluded a determination of the Agency's contracted Fire Chief's employment relationship with the Agency. Consequently, OAS performed a follow-up review to determine whether the Agency correctly excluded the contracted Fire Chief from enrollment. Based on our review, OAS determined that the Agency was in compliance with applicable Government Codes in excluding the enrollment of the contracted Fire Chief.

BACKGROUND

The Agency contracted with CalPERS effective February 16, 2012 to provide retirement benefits for local firefighters. By way of the Agency's contract with CalPERS, the Agency agreed to be bound by the terms of the contract and by the Public Employees' Retirement Law (PERL). The Agency also agreed to make its employees members of CalPERS subject to all provisions of the PERL.

The Agency was established to respond to all type of incidents including response to structure fires, medical emergencies, and hazardous materials emergencies. The Agency was restructured in 2012 following the dissolution of the Belmont-San Carlos Fire Department. Effective January 1, 2013, the Agency entered into an agreement with the Cities of San Mateo and Foster City, both of which contract with CalPERS for retirement benefits. The scope of services included the contracted Fire Chief services of general administration and oversight of the Agency from January 1, 2013 through June 30, 2014.

SCOPE

OAS limited its compliance review to the determination of the employee/employer relationship between the contracted Fire Chief and the Agency. The review included an examination of records to evaluate the employment relationship between the contracted Fire Chief and the Agency from February 16, 2012 through June 30, 2014.

BELMONT FIRE PROTECTION DISTRICT

CONCLUSION

OAS limited this review to the area specified in the scope section of this report and in the objectives as outlined in Appendix A. The procedures performed provide reasonable, but not absolute, assurance that the Agency complied with the specific provisions of the PERL and CalPERS contract. The conclusion outlined in this report is based on the information made available or otherwise obtained at the time the report was prepared.

Respectfully submitted,

Original signed by Beliz Chappuie

BELIZ CHAPPUIE, CPA, MBA
Chief, Office of Audit Services

Staff: Cheryl Dietz, CPA, Assistant Division Chief
Alan Feblowitz, CFE, Senior Manager
Noah Schreier, Auditor

BELMONT FIRE PROTECTION DISTRICT

APPENDIX A

OBJECTIVES

BELMONT FIRE PROTECTION DISTRICT

OBJECTIVES

The objectives of this review were to determine whether the Agency complied with:

- Applicable sections of the Government Code (Sections 20000 et seq.), PEPRA, and Title 2 of the CCR.
- Reporting and enrollment procedures prescribed in the Agency's retirement contract with CalPERS.

This review did not include a formal determination as to whether the Agency is a "public agency" (as that term is used in the California Public Employees' Retirement Law), and OAS therefore expresses no formal opinion or finding with respect to whether the Agency is a public agency or whether its employees are employed by a public agency.

SUMMARY

To accomplish the review objectives, OAS interviewed key staff members to obtain an understanding of the employment relationship with the Agency's contracted Fire Chief. In addition, OAS reviewed various Agency documents and performed the following procedures.

- ✓ Reviewed:
 - Provisions of the contract and contract amendments between the Agency and CalPERS
 - Correspondence files maintained at CalPERS
 - Agency Board minutes and Agency Board resolutions
 - Agency written labor policies and agreements
 - Agency's organizational chart
 - Agency's comprehensive annual financial reports
 - Employment relationship questionnaires
 - Benefit agreements including applicable resolutions
 - Agency ordinances as necessary
 - Various other documents as necessary
- ✓ Reviewed the employee/employer relationship of the Agency's contracted Fire Chief with the Agency.