Resolution of the Air Pollution Control District Board of Directors of
the County of Santa Barbara, State of California

In the Matter of: ) APCD Resolution No. _____
Making District Contributions to the )
District's 401 (h) Retiree Medical Account )
for fiscal year 2014-15 )
in Accordance with Internal Revenue )
Code Section 401(h) )

Whereas, it is in the best interest of employees and retirees of the County of Santa
Barbara Air Pollution Control District ("District") and the beneficiaries of those employees and
retirees that the Santa Barbara County Employees' Retirement System ("System") be maintained
as a qualified pension plan under Internal Revenue Code ("Code") Section 401 (a); and

Whereas, the District has determined that certain Eligible Retired Participants will
receive a health plan subsidy from the System, which subsidy constitutes an "other post
employment benefit;" and

Whereas, the System, as a qualified plan, may pay medical benefits on a tax preferred
basis to retirees, and their spouses and dependents, through the establishment of a 401(h) account
within the Trust Fund for the System; and

Whereas, the District Board of Directors ("Board") has established a health plan for
retirees, and their spouses and dependents; and

Whereas, the Board has established a 401 (h) Post Employment Benefits Trust Account
in the System as governed by the provisions of Code Section 401 (h) and Treasury Regulation
Section 1.401-14 ("Applicable Treasury Regulations"); and

Whereas, the 401 (h) Account can only be funded by District contributions, designated
for this purpose.

Now, Therefore, It Is Hereby Resolved, as follows:

1. In accordance with Code Section 401 (h) and Applicable Treasury Regulations,
the District shall contribute to the 401 (h) Account for the fiscal year 2014-15 in an amount based
on periodic actuarial valuations that will not exceed the lesser of the following:

   a. the annual required contribution for the health benefits for Eligible Retired
      Participants (as defined in the Section 401 (h) Regulations); or
b. 25 percent of the total contributions to the System, excluding past service costs as defined in the Section 401 (h) Regulations.

2. The Board authorizes the Control Officer to determine the exact amount of District contributions within the previously established ranges.

3. At the time any contribution is made to the 401 (h) Account, the Control Officer shall designate in writing to the Board of Retirement of the System that such contribution is being made only to the 401 (h) Account.

4. This resolution is only applicable to contributions made during fiscal year 2014-15. Future contributions shall be determined by the Board on a fiscal year by fiscal year basis.

Passed and Adopted by the Air Pollution Control District Board of the County of Santa Barbara, State of California, this 19th day of June, 2014, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

ATTEST:

Chair, Santa Barbara County
Clerk of the Board
Air Pollution Control District Board

BY: ______________________

APPROVED AS TO FORM:
Michael C. Ghizzoni
County Counsel

APPROVED AS TO
ACCOUNTING FORM
Robert W. Geis, CPA
Auditor-Controller

BY: Victoria Parks Tuttle
Deputy County Counsel

BY: ______________________
Auditor-Controller