



# Moraga-Orinda Fire District

## Board of Directors

### CALL AND NOTICE OF A SPECIAL MEETING

March 20, 2019

7:00 P.M.

### PUBLIC WORKSHOP

**PLEASE NOTE NEW MEETING ADDRESS:**

Sarge Littlehale Community Room  
22 Orinda Way  
Orinda, CA 94563

#### 1. OPENING CEREMONIES

- 1.1. Call the Meeting to Order
- 1.2. Roll Call
- 1.3. Pledge of Allegiance

#### 2. PUBLIC COMMENT

The public is invited to speak on any matter not appearing on the agenda and within the subject matter jurisdiction of the District. Comments should be limited to three minutes. Please state your name and address for the record.

#### 3. REGULAR CALENDAR

##### 3.1. Public Workshop – Long Range Financial Forecast

The Moraga-Orinda Fire District Board is in the process of preparing the Long Range Financial Forecast and seeks the public's advice and input.

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Provide Direction to Staff on Assumptions

#### 4. ADJOURNMENT

*The Moraga-Orinda Fire Protection District ("District"), in complying with the Americans with Disabilities Act ("ADA"), requests individuals who require special accommodations to access, attend and/or participate in District Board meetings due to a disability, to please contact the District Chief's office, (925) 258-4599, at least one business day prior to the scheduled District Board meeting to ensure that we may assist you.*

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Moraga-Orinda Fire District to a majority of members of the Board of Directors less than 72 hours prior to that meeting are available for public inspections at 1280 Moraga Way during normal business hours.

I hereby certify that this agenda in its entirety was posted on March 14, 2019, at the Moraga and Orinda Fire Administration offices, Stations 41, 42, 43, 44, and 45. Agenda faxed to the Moraga Town Office (Hacienda), Orinda City Hall and Orinda and Moraga libraries.

Interim District Secretary/Clerk



# Moraga-Orinda Fire District

**TO:** Board of Directors  
**FROM:** Long Range Financial Plan Ad Hoc Committee  
**DATE:** March 20, 2019  
**SUBJECT:** Item 3.1 - Long Range Financial Forecast March 2019

## **Background**

The Board of Directors Long Range Financial Plan Ad Hoc Committee met twice to review the Long Range Financial Forecast (Forecast). The Forecasts (Attachments A and B) have been updated based on Board direction provided during Ad Hoc Committee meetings.

Previously the Forecast covered a forward-looking 15-year period. The Committee changed the Forecast to a forward-looking 10-year period.

The Forecasts use several significant assumptions, which are explained below.

## **General Fund Revenues**

Property tax - projected to increase 3% throughout Version A, 4% throughout Version B

Fire flow tax – Record in General Fund and transferred out to the Capital Projects Fund and Debt Service Fund

Ambulance fees – Projected to increase 1.5% throughout the Forecast

Strike team revenue – Projected net of overtime costs

## **General Fund Expenditures**

Regular salaries – Per the Safety MOU: July 1, 2019 +5%, July 1, 2020 +3%, then +3% throughout.

Overtime – Per the Safety MOU: July 1, 2019 +5%, July 1, 2020 +3%, then +3% throughout.

Benefits – Capped per the MOUs (no increases)

Retiree health insurance – Capped per the MOUs (no increases)

Operating expenses – Projected to increase 3% throughout based on CPI.

CCCERA employer payment – Five year projections are provided by Segal, CCCERA's actuary, as follows:

2019/20 Actual rates set by the CCCERA board of directors on August 22 2018  
2020/21 +0.92%  
2021/22 +3.86%  
2022/23 +2.84%

2023/24 +2.06%  
2024/25 +7.47% (UAAL actuarial gain layer dropping off due to full amortization)  
2025/26 forward – No projections are provided by CCCERA. The remaining years project +1.0%.

OPEB funding – The Forecast includes OPEB contributions based on actuarial calculations used in the GASB 75 OPEB Valuation Report as of June 30, 2018 which were calculated using a discount rate of 6.25% and 18-year closed amortization period.

Pension rate stabilization – The Forecast includes pension rate stabilization trust contributions as follows based on GovInvest software calculations using discount rate of 6.25%, actual CCCERA investment earnings of 13.9% and -2.7%, and actual salary increases per the District’s safety MOU:

2019/20 \$1,997,514  
2020/21 \$2,163,379  
2021/22 \$2,050,993  
2022/23 \$1,809,318

### **Capital Projects Fund**

The Long Range Financial Forecast - Capital Expenditures (Attachment C), has been updated.

### **Fund Balance Policy and Fund Balance Goal**

The District’s Fund Balance Policy states the District will maintain a minimum unrestricted fund balance in the General Fund of 17% of budgeted General Fund revenue. The Board set a goal to maintain a minimum unrestricted fund balance in the General Fund of 50% of budgeted General Fund revenue.

In Version A, the unrestricted fund balance is projected to be less than the minimum per the policy in 2020/21 through 2023/24 and in Version B, 2020/21 through 2021/22.

### **Long Range Financial Forecast Results**

Both versions of the Forecast show a deficit in the General Fund with expenditures exceeding revenue (including OPEB and pension trust contributions) in FY2019/20 and FY2020/21. The Forecast shows a Capital Projects Fund deficit is projected in most years.

### **Summary of Unfunded Liabilities**

The Committee added a section to the Forecast titled Summary of Unfunded Liabilities. It includes projections of the District’s unfunded pension liabilities calculated using the GovInvest software based on CCCERA’s actuarial assumptions and based on the District’s actuarial assumptions. It also includes projections of the District’s OPEB unfunded liabilities based on the District’s OPEB actuarial assumptions and planned trust contributions.

### **Next Steps**

The next steps are to update the Forecast based on board direction. The Forecast is scheduled for adoption at a Special Meeting on March 27, 2019.

### **Recommended Action**

1) Discuss; 2) Deliberate; 3) Provide direction to staff

### **Attachments**

Attachment A – Long Range Financial Forecast Version A 3% Property Tax Revenue Growth  
Attachment B – Long Range Financial Forecast Version B 4% Property Tax Revenue Growth  
Attachment C – Capital Expenditures  
Attachment D – Staffing Summary





ATTACHMENT C

Moraga-Orinda Fire Protection District  
 Long Range Financial Forecast - Capital Expenditures  
 Draft Update  
 March 2019

Capital Expenditure Projections

	DESCRIPTION	AGE	REPLACEMENT DATE	BOOK VALUE	2018 REPLACEMENT COST	PROJ 19/20	PROJ 20/21	PROJ 21/22	PROJ 22/23	PROJ 23/24	PROJ 24/25	PROJ 25/26	PROJ 26/27	PROJ 27/28	PROJ 28/29
	<b>BUILDINGS &amp; GROUNDS</b>														
	STATION-41/TRAINING	61	2019	579,367	7,000,000	610,000	610,000	610,000	610,000	610,000	610,000	610,000	610,000	610,000	610,000
	ADMINISTRATION	49	2019	340,435	1,000,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000
	STATION-42	16	2041	1,992,000	2,721,437										
	STATION-43	0	2058		4,093,000										
	STATION-44	11	2046	2,648,802	2,478,819										
	STATION-45	47	2022	475,488	5,000,000				438,000	438,000	438,000	438,000	438,000	438,000	438,000
	CAPITAL IMPROVEMENTS - OTHER					212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783	276,847
	<b>TOTAL FACILITIES EXPENDITURES</b>					<b>909,180</b>	<b>915,545</b>	<b>922,102</b>	<b>1,366,855</b>	<b>1,373,810</b>	<b>1,380,975</b>	<b>1,388,354</b>	<b>1,395,955</b>	<b>1,403,783</b>	<b>1,411,847</b>
	<b>TOTAL APPARATUS EXPENDITURES/VEHICLE</b>					<b>80,000</b>	<b>0</b>	<b>0</b>	<b>571,041</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,742,596</b>
	<b>FIREFIGHTING CAPITAL EQUIPMENT</b>					40,575	41,792	43,046	444,337	45,668	47,038	1,148,449	49,902	51,399	51,399
	<b>IT CAPITAL (FIXED ASSETS) EXPENDITURES</b>					18,124	18,668	19,228	19,805	20,399	21,011	21,642	22,291	22,960	22,960
	<b>OTHER CAPITAL EXPENDITURES</b>					12,313	12,436	12,561	12,686	12,813	12,941	13,071	13,201	13,333	13,467
	<b>TOTAL CAPITAL</b>					<b>\$ 1,060,192</b>	<b>\$ 988,442</b>	<b>\$ 996,936</b>	<b>\$ 2,414,724</b>	<b>\$ 1,452,691</b>	<b>\$ 1,461,965</b>	<b>\$ 2,571,516</b>	<b>\$ 1,481,349</b>	<b>\$ 1,491,476</b>	<b>\$ 4,242,268</b>

ATTACHMENT C

MORAGA-ORINDA FIRE DISTRICT  
 APPARATUS & VEHICLE REPLACEMENT PLAN: 2020 - 2029

Apparatus Costs

DRAFT: MARCH 2019

DESCRIPTION	AGE	REPLACE DATE	2017 COST	PROJ 19/20	PROJ 20/21	PROJ 21/22	PROJ 22/23	PROJ 23/24	PROJ 24/25	PROJ 25/26	PROJ 26/27	PROJ 27/28	PROJ 28/29	
<b>ENGINES - STRUCTURE PROTECTION</b>														
1996	ENGINE TYPE 1 SPARTAN 3D (REPLACE W/TRUCK)	23	2017	585,163										
1998	ENGINE TYPE 1 SPARTAN, HI TEC - SELLING	21	2017	585,163										
1998	ENGINE TYPE 1 SPARTAN, HI-TEC (REPLACE W/ 2017 PIERCE)	21	2017	585,163										
2008	ENGINE TYPE 1 PIERCE	11	2028	585,163									727,577	
2012	ENGINE TYPE 1 PIERCE	7	2032	585,163										
2017	ENGINE TYPE 1	2	2037	602,834										
2017	ENGINE TYPE 1	2	2037	602,834										
<b>ENGINES - WILDLAND</b>														
2002	ENGINE TYPE 3 WESTATES	17	2022	386,428			426,648							
2002	ENGINE TYPE 3 WESTATES	17	2022	386,428			426,648							
2008	ENGINE TYPE 3 PIERCE	11	2028	386,428									480,475	
2010	ENGINE TYPE 3 PIERCE	9	2028	386,428									480,475	
<b>ENGINES -</b>														
2019	ENGINE TYPE 6	0	2019	100,000										
<b>AERIAL LADDER TRUCKS</b>														
1989	TRAINING TILLER TRUCK - SEAGRAVE 100' - WILL SELL IN 2020	30	TBD	30,000										
2001	AERIAL LADDER SPARTAN/LTI-93 - SELLING	18	N/A	1,110,000										
2017	TILLER TRUCK - 100'	2	2033	1,286,924										
<b>SPECIALIZED APPARATUS</b>														
1999	TECHNICAL RESCUE UNIT	20	TBD	300,000										
2009	WATER TENDER PIERCE-KENWORTH	10	2034	300,000										
<b>AMBULANCES</b>														
2015	AMBULANCE NAVISTAR TERRASTAR LEADER	4	2028	212,277									263,940	
2015	AMBULANCE NAVISTAR TERRASTAR LEADER	4	2028	212,277									263,940	
2017	AMBULANCE	2	2028	180,645									209,882	
2017	AMBULANCE	2	2028	180,645									209,882	
<b>COMMAND VEHICLES</b>														
2007	COMMAND FORD EXPEDITION - SELLING	12	2016	60,000										
2008	COMMAND CHEVY SUBURBAN	11	2020	60,000	80,000									
2008	COMMAND CHEVY SUBURBAN - OCMA	11	2020	60,000										
2008	COMMAND-CHEVY SUBURBAN - RESERVE	11	2020	60,000										
2017	COMMAND CHEVY TAHOE	2	2028	52,048									64,715	
<b>SUPPORT VEHICLES</b>														
1994	SUPPORT - INT'L/ROAD RESCUE	25	TBD	200,000										
2011	CHEVY TAHOE (REPLACE W/ EXPLORER)	8	2022	34,700			38,312							
2012	FORD EXPLORER	7	2022	34,700			38,312							
2017	FORD EXPLORER	2	2028	33,546									41,710	
<b>UTILITY VEHICLES</b>														
2000	UTILITY FORD F250	19	2020	60,000			66,245							
2005	FORD RANGER	14	2020	18,769			19,918							
2005	FORD RANGER	14	2020	18,769			19,918							
<b>TOTAL APPARATUS EXPENDITURES/VEHICLE</b>					80,000	0	0	571,041	0	0	0	0	2,742,596	
<b>CAPITAL FUND BALANCE (PROJ), END OF YEAR WITH PURCHASES</b>					3,539,880	2,773,001	1,990,227	1,382,414	1,331,878	1,274,800	1,310,946	1,341,573	1,265,455	1,241,466

FIREFIGHTING/RESCUE APPARATUS  
 AMBULANCES  
 COMMAND/SUPPORT/STAFF VEHICLES



# ATTACHMENT D

## STAFFING SUMMARY

DIVISION	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Board of Directors</b>										
Director*	5	5	5	5	5	5	5	5	5	5
Total	5	5	5	5	5	5	5	5	5	5
<b>Emergency Operations</b>										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Battalion Chief	3	3	3	3	3	3	3	3	3	3
Captain/Paramedic I	3	3	3	3	3	3	3	3	3	3
Captain/Paramedic II	8	8	8	8	8	8	8	8	8	8
Captain	4	4	4	4	4	4	4	4	4	4
Engineer/Paramedic I	3	3	3	3	3	3	3	3	3	3
Engineer/Paramedic II	4	4	4	4	4	4	4	4	4	4
Engineer	8	8	8	8	8	8	8	8	8	8
Firefighter/Paramedic	23	23	23	23	23	23	23	23	23	23
Firefighter	4	4	4	4	4	4	4	4	4	4
Paramedic**										
Total	61	61	61	61	61	61	61	61	61	61
<b>Fire Prevention</b>										
Fire Marshal	1	1	1	1	1	1	1	1	1	1
Fire Inspector/Plans Examiner	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
District Aide Part-Time***	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Fuels Mitigation Program Mgr****	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
District Aide Part-Time****	2	2	2	2	2	2	2	2	2	2
Total	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.6
<b>Emergency Preparedness</b>										
Emer Preparedness Coord*****	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
<b>Administration</b>										
Administrative Services Director	1	1	1	1	1	1	1	1	1	1
Human Resources Benefits Mgr	1	1	1	1	1	1	1	1	1	1
Accountant	1	1	1	1	1	1	1	1	1	1
Payroll Technician Part-Time	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
District Secretary/District Clerk	1	1	1	1	1	1	1	1	1	1
District Aide Part-Time***	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
<b>GRAND TOTAL</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>	<b>78.20</b>

- \* Unpaid, volunteer position
- \*\* The Paramedic job classification has been established. The District retains the option to fill positions in this classification if needed.
- \*\*\* Non-benefitted, part-time position
- \*\*\*\* Position proposed as part of a six-month pilot fuels mitigation program
- \*\*\*\*\* Non-benefitted, part-time position partially funded by the City of Lafayette