



Moraga-Orinda Fire District

Board of Directors

REGULAR MEETING

November 17, 2021

6:00 p.m. CLOSED SESSION

7:00 p.m. OPEN SESSION

This meeting will be conducted by webinar and teleconference only in accordance with AB 361. To protect our residents, officials, and staff, and in accordance with AB 361, all public meetings are being conducted electronically to prevent imminent risks to the health or safety of attendees. The meeting is not available for in-person attendance. Members of the public may attend the meeting by video or phone linked in this agenda.

PLEASE NOTE TELECONFERENCE MEETING INFORMATION:

To join the Meeting:

By Phone: 1-669-900-6833

Please click the link below to join the webinar by Zoom:

<https://us02web.zoom.us/j/83090212376>

Webinar ID: 830 9021 2376

Public Participation is encouraged by joining via the ZOOM link or the dial-in information above. You can access it either via a smartphone or computer App (Zoom) or via phone.

Live Public Comment can be provided via the Zoom app (during public comment) by the raise hand feature. If participating by phone, dial *9 to raise your hand. Staff will call on participants by the name provided or last 4 digits of phone number for dial-in attendees. When your name or number is called, a notification is sent requesting that you unmute your microphone. Participants will be called in the order of hands raised to comment.

Written Public Comment can be provided via email at info@mofd.org.

- Emails received by **3pm** on the day of the meeting will be forwarded to the Board of Directors. Emails will be made a part of the public record and available to view by 5pm on the day of the meeting by following this link www.mofd.org/agendas
- Comments may also be submitted by e-mail during the meeting up until the closure of the public comment period on the relevant agenda item. These will be read into the record by staff at their normal cadence and will be limited to a maximum of 3 minutes.

If you are participating via meeting link (i.e. web platform), and experience technological difficulties, please re-join the meeting by phone via phone number provided above. In the event the meeting broadcast is disrupted, or if a technical issue on the agency's end disrupts public comment, the board will pause the meeting and will not take any further action on items on the agenda until access is restored.

The meeting will be live streamed via the MOFD YouTube Channel. A link is accessible via the District's website.

1. OPENING CEREMONIES

- 1.1. Call the Meeting to Order
- 1.2. Roll Call

2. PUBLIC COMMENT

General public comment on any closed session item that will be heard. Comments may be limited to no more than three minutes pursuant to board policy.

3. CLOSED SESSION

- 3.1. **Conference with Labor Negotiator**
(Government Code Section 54957.6)
Agency Designated Representative: Donna Williamson
Employee Organization: Local 1230, International Association of Firefighters IAFF
- 3.2. **Conference with Labor Negotiator**
(Government Code Section 54957.6)
Agency Designated Representative: Jonathan Holtzman
Employee Organization: Unrepresented Employees
- 3.3. **Conference with Labor Negotiator**
(Government Code Section 54957.6)
Agency Designated Representative: Donna Williamson
Employee Organization: Moraga-Orinda Fire Chief Officers' Association

4. RECONVENE THE MEETING

- 4.1. Call the Meeting to Order
- 4.2. Roll Call

5. REPORT OF CLOSED SESSION ACTION**6. PUBLIC COMMENT – ITEMS NOT ON THE AGENDA**

At the beginning of each regular District Board meeting, any member of the public may address the District Board concerning any item **not** on the Board's agenda but within the subject matter jurisdiction of the Board. Speakers will be limited to three (3) minutes unless otherwise specified by the Presiding Officer. The public will be given an opportunity to speak on each agenda item at the time it is called. The Board may discuss and/or take action regarding any or all of the items listed below. Once the public comment portion of any item on this agenda has been closed by the Board, no further comment from the public will be permitted unless authorized by the Board and if so authorized, said additional public comment shall be limited to the provision of information not previously provided to the Board or as otherwise limited by order of the Presiding Officer or the Board.

7. CONSENT AGENDA**7.1. Adopt Resolution 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference**

Staff Recommendation: Adopt Resolution 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

7.2. Meeting Minutes – October 18, 2021 (Special), October 20, 2021 (Regular), October 27, 2021 (Special)

Staff Recommendation: Approve and File

7.3. Monthly Incident Report – October 2021

Staff Recommendation: Approve and File

7.4. Monthly Check/Voucher Register – October 2021

Staff Recommendation: Approve and File

7.5. Monthly Financial Report – October 2021

Staff Recommendation: Approve and File

7.6. Quarterly Investment Report – September 2021

Staff Recommendation: Approve and File

7.7. GASB 75 OPEB Actuarial Report Measured as of June 30, 2021

Staff Recommendation: Approve and File

7.8. 2022 Regular Board Meeting Schedule

Staff Recommendation: Approve and File

7.9. Dissolve the Joint Fire Prevention Ad Hoc Committee with the City of Orinda and Town of Moraga

Staff Recommendation: Approve to dissolve the Joint Fire Prevention Ad Hoc Committee with the City of Orinda and Town of Moraga

8. REGULAR AGENDA**8.1. Annual Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021**

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Approve the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021, the Communication With Those Charged With Governance June 30, 2021 and the Independent Accountant's Report on Applying Agreed-Upon Procedures for Appropriations Limit Calculation For the Year Ended June 30, 2021

8.2. Asset Allocations and Investment Guidelines Documents for the Pension Trust and for the Other Post-Employment Benefits Trust

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Provide direction to staff regarding the Asset Allocations and Investment Guidelines Documents for the Pension Trust and Other Post-Employment Benefits Trust

8.3. Quarter One Financial Update and Budget Review FY2022

Staff Recommendation: 1) No action required; Informational purposes only

8.4. Approval of a Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024; Approval of Salary Schedule Effective July 1, 2021

Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Approve the Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024; 4) Approval of the Salary Schedule Effective July 1, 2021.

- 8.5. **Approval of Unrepresented Employee Handbook Authorizing Salary and Benefits for Unrepresented Employees Effective November 18, 2021**
Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Approve the Unrepresented Employee Handbook authorizing salary and benefits for Unrepresented Employees effective November 18, 2021
 - 8.6. **Adoption Resolution 21-19 VantageCare Retirement Health Savings (RHS) Program**
Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Adopt Resolution No. 21-19 Adopting the VantageCare Retirement Health Savings Program
 - 8.7. **Election of Board Officers**
Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Elect new officers to be effective January 1, 2022.
 - 8.8. **Appointment of Standing and Ad Hoc Committee Members and District Liaisons**
Staff Recommendation: 1) Discuss; 2) Deliberate; 3) Appoint new Audit and Finance Committee members, Ad Hoc Committee members, and District Liaisons to be effective January 1, 2022
9. COMMITTEE REPORTS
- 9.1. **Audit Committee (Directors Danziger and Jex)**
 - 9.2. **Finance Committee (Directors Danziger and Jorgens)**
 - 9.3. **Facilities Station 41 Ad Hoc Committee (Directors Baitx and Donner)**
10. ANNOUNCEMENTS
- 10.1. **Brief information only reports related to meetings attended by a Director at District expense**
(Government Code Section 53232.3(d))
 - 10.2. **Questions and informational comments from Board members and Staff**
 - 10.3. **Fire Chief Updates**
 - 10.3.1. **Operations**
 - 10.3.2. **Human Resources**
 - 10.3.3. **Finance**
 - 10.3.4. **Fire Marshal**
 - 10.4. **Communications Received**
 - 10.5. **Future Agenda Items**
11. 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) 258-4501, 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, Moraga, during normal business hours.

I hereby certify that this agenda in its entirety was posted on **November 12, 2021**, at the Moraga and Orinda Fire Administration offices, Stations 41, 42, 43, 44, and 45. Agenda provided to the Moraga Town Office (Hacienda) and Orinda City Hall.



Marcia Holbrook, District Secretary/Clerk



Moraga-Orinda Fire District

TO: Board of Directors

FROM: David Winnacker, Fire Chief

DATE: November 17, 2021

SUBJECT: Item 7.1 – Adopt Resolution No. 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

BACKGROUND

On March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic. That proclamation remains in effect. On September 16, 2021, Governor Newsom signed AB 361. This legislation amends the Brown Act to allow legislative bodies subject to the Brown Act to meet via teleconference during a proclaimed state of emergency in accordance with teleconference procedures established by AB 361.

AB 361 requires review of the determination to continue to meet via teleconference at least every 30 days so long as the proclaimed state of emergency is still in effect and continues to directly impact the ability of the members to meet safely in person, or state or local officials have imposed or recommended measures to promote social distancing. The Contra Costa County Health Department continues to strongly recommend online teleconference public meetings as remote meetings present the lowest risk of transmission for the COVID-19 virus.

STAFF RECOMMENDATION

Staff recommends the Board adopt Resolution No. 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

ATTACHMENT

Attachment A - Resolution No. 21-18 Re-Ratifying Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

RESOLUTION NO. 21-18

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MORAGA-ORINDA FIRE PROTECTION DISTRICT OF
CONTRA COSTA COUNTY RE-RATIFYING FINDINGS AND DETERMINING
A NEED TO CONTINUE HOLDING REMOTE MEETINGS BY TELECONFERENCE**

WHEREAS, the Board of Directors of the Moraga Orinda Fire District (“District”) is committed to preserving public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s Board are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the Board conduct its business; and

WHEREAS, Government Code section 54953(e) of the Brown Act, allows a legislative body to hold a teleconference meeting, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, the Board of Directors previously adopted a Resolution Number 21-17 on October 18, 2021, finding that the requisite conditions exist for the legislative bodies of the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, in order to meet by teleconference under Government Code section 54953(e), the Governor must have proclaimed a state of emergency under the California Emergency Services Act (Govt. Code § 8625 *et. seq.*); the legislative body must reconsider the circumstances of the state of emergency; and the legislative body must find that the state of emergency continues to directly impact the ability of the members to meet safely in person and/or state or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency declared by Governor Newsom under the California Emergency Services Act due to COVID-19, which is still in existence; and

WHEREAS, on August 2, 2021, the Contra Costa County Health Officer issued a Health Order requiring the wearing of face coverings in workplaces and public settings due to the rise of the SARS-CoV-2 Delta Variant, which is still in effect, and strongly recommended online teleconference public meetings as those meetings present the lowest risk of transmission for SARS-CoV-2, the virus that causes COVID-19; and

WHEREAS, many persons who regularly attend Board meetings are over the age of 65 and therefore considered particularly vulnerable to COVID-19; and

WHEREAS, the District provides in the public notices and agendas for all public meetings the online and telephone options for participation in public meetings, protecting the right of the public to address their local officials and to participate in public meetings, and posts this information on the District’s website, including instructions on how to access the public meeting remotely.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors has reconsidered the circumstances of the state of emergency; and be it

FURTHER RESOLVED, that the Board finds that State or local officials continue to impose or recommend measures to promote social distancing and that State of Emergency declared by Governor Newsom on March 4, 2020, continues to directly impact the ability of Board members, staff, and the public to meet safely in person; and be it

FURTHER RESOLVED, that the Board finds that because of the aforesaid declared State of Emergency, meeting in person would present an imminent risk to the health or safety of meeting attendees; and be it

FURTHER RESOLVED, that the Board authorizes and directs the Fire Chief to place on the Board's agenda, at least once monthly, reconsideration of the State of Emergency to determine whether circumstances warrant continuing to meet by teleconference under Government Code section 54953(e)(3); and be it

FURTHER RESOLVED, that the Board does hereby direct that its Committees make these same findings until directed otherwise by the Board; and be it

FURTHER RESOLVED, that the Board authorizes and directs the Fire Chief to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act; and be it

FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) December 16, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District's Board may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED, APPROVED and ADOPTED this 17th day of November 2021 at a regular meeting of the District Board of Directors held virtually due to the COVID-19 pandemic on motion made by Director ____ and seconded by Director _____, and duly carried with the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Resolution 21-18

Dated: November 17, 2021

Craig Jorgens, President
Board of Directors

ATTEST:

Marcia Holbrook
District Secretary/District Clerk



BOARD OF DIRECTORS SPECIAL BOARD MEETING MINUTES October 18, 2021

1. OPENING CEREMONIES

The Board of Directors convened a teleconference Open Session at 6:31 p.m. on October 18, 2021, via the Zoom application <https://us02web.zoom.us/j/84889487075> webinar id: 84889487075 and by phone 669-900-6833. This meeting was conducted by webinar and teleconference only in accordance with AB 361 to protect the residents, officials, and Staff. The meeting was not available for in-person attendance, and members of the public were able to attend the meeting by video or phone to allow for real-time public comment.

President Jorgens called the meeting to order and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Donner	Gloriann Sasser, Admin. Services Director
Director Baitx	Director Jex	Marcia Holbrook, District Clerk
Director Danziger	Dave Winnacker, Fire Chief	

2. PUBLIC COMMENT

President Jorgens opened Public Comment on the closed session items. There were no requests to address the Board. President Jorgens closed Public Comment.

3. SPECIAL AGENDA

3.1 Adopt Resolution No. 21-17 Making Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference

District Clerk Holbrook provided the report. On August 16, 2021, the Board directed staff to prepare for hybrid in-person board meetings and provide virtual public access to the in-person meetings upon the expiration of State Executive Orders pertaining to virtual meetings. This action was in response to the pending expiration of Executive Orders N-25-20 and N-29-20, which suspended some aspects of the Brown Act and allowed for legislative bodies (any council, board, commission, or committee) to hold meetings entirely electronically with no physical meeting place. On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 into law, which modified the Brown Act's requirements for conducting remote meetings by teleconferencing during a declared state of emergency. AB 361 went into effect as an urgency measure to continue using the modified teleconferencing rules as of October 1, 2021, and added Government Code section 54953(e)(1).

AB 361 contains several requirements to continue the use of remote meetings. District Clerk Holbrook reviewed the requirements outlined in the staff report. Staff recommended adopting Resolution 21-17, a resolution making findings and determining a need to continue holding remote meetings by teleconference for the meetings of all governing Board and committee bodies (as defined by the Brown Act) pursuant to Assembly Bill AB 361 effective immediately.

President Jorgens inquired if the resolution's expiration date could be extended to 35 days instead of 30 days since the regular board meetings are held monthly. District Clerk Holbrook answered that the 30-day rule is an AB 361 requirement to continue utilizing virtual-only meetings. Director Danziger commented that he attended another governing board meeting and the Moraga Town Council meeting. Both legislative bodies had the same questions about AB 361. The answers provided at each meeting were that the resolutions need to be adopted every 30 days. President Jorgens stated that the Board might need to hold extra board meetings to adopt the subsequent resolutions since the board meetings are only held monthly. Director Donner asked if the meetings could be scheduled to accommodate the 30-day requirement. District Clerk Holbrook answered any rescheduling of the regularly scheduled meetings would redefine those meetings as Special meetings, and certain restrictions apply to Special meetings. President Jorgens asked if a Special meeting is required to be held in-between the regularly scheduled meeting, if the Regular meeting is scheduled 31 days apart from the adoption of Findings and resolution, and if the resolution is something the Board must adopt in advance of the business. District Clerk Holbrook answered that the resolution must be the first order of business on the agenda. President Jorgens requested clarification on the adoption of the Finding and when the adoption would go into effect. District Clerk Holbrook answered that once the Board adopts the Findings and resolution, the resolution goes into effect immediately.

For audio recordings of this and other Board meetings,

Visit <https://www.mofd.org/transparency/resources/board-agendas-minutes>

President Jorgens asked if the next scheduled meeting was scheduled 31 days apart, would the Board have to schedule a meeting to adopt Findings, or can the Board adopt the Findings at the beginning of that meeting. Fire Chief Winnacker stated that there is not a requirement to hold a meeting strictly for the purpose of adopting the Findings; however, the Board could not conduct a meeting in the remote-only format more than 30 days from adopting the last Findings and resolution without opening the meeting with a new adoption. Staff to confirm with District counsel by the next meeting. Directed Danziger requested three grammatical edits:

1. **Page 1: NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors has reconsidered the circumstances of the state of emergency; and, be it – (Remove comma)
2. **Page 2: FURTHER RESOLVED**, that the Board finds that State or local officials continue to impose or recommend measures to promote social distancing and that State of Emergency declared by Governor Newsom on March 4, 2020, continues to directly impact the ability of Board members, Staff, and the public to meet safely in person; and, be it – (Remove comma)
3. **Page 2: FURTHER RESOLVED**, that the Board finds that State or local officials continue to impose or recommend measures to promote social distancing and that State of Emergency declared by Governor Newsom on March 4, 2020, continues to directly impact the ability of Board members, Staff, and the public to meet safely in person; and be it –(Added)

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment. No discussion by the Board.

Motion by Director Jex and seconded by Director Danziger to Adopt Resolution No. 21-17 Making Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

At 6:45 p.m., the Board adjourned to Closed Session. Present were the following Directors and Staff:

President Jorgens	Director Donner	Jonathan Holtzman, District Counsel (absent)
Director Baitx	Director Jex	Donna Williamson, District Counsel
Director Danziger	Dave Winnacker, Fire Chief	Gloriann Sasser, Admin. Services Director

4. CLOSED SESSION

4.1 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Local 1230, International Association of Firefighters IAFF

4.2 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Moraga-Orinda Fire Chief Officers' Association

4.3 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Unrepresented Employees

5. RECONVENE THE MEETING

5.1 Call the Meeting to Order

5.2 Roll Call

President Jorgens reconvened the Moraga-Orinda Fire District Board of Directors' special business meeting at 7:22 p.m. and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Donner	Gloriann Sasser, Admin. Services Director
Director Baitx	Director Jex	Marcia Holbrook, District Clerk
Director Danziger	Dave Winnacker, Fire Chief	

6. REPORT OF CLOSED SESSION ACTION

President Jorgens stated that the Board took no reportable action on agenda items 4.1-4.3.

7. ADJOURNMENT

At 7:23 p.m., Director Donner motion and seconded by Director Danziger to adjourn the meeting. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Marcia Holbrook,

Marcia Holbrook
District Secretary/District Clerk



BOARD OF DIRECTORS REGULAR BOARD MEETING MINUTES October 20, 2021

1. OPENING CEREMONIES

The Board of Directors convened a teleconference Open Session at **7:02 p.m.** on **October 20, 2021**, via the Zoom application <https://us02web.zoom.us/j/81037650102>, webinar id: 81037650102 and by phone 669-900-6833. This meeting was conducted by webinar and teleconference only in accordance with AB 361. The meeting was not available for in-person attendance.

President Jorgens called the meeting to order and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Jex	Jonathan Holtzman, District Counsel
Director Baitx (absent)	Dave Winnacker, Fire Chief	Lisa Dalton, Human Resources Manager
Director Danziger	Jeff Isaacs, Fire Marshal	Mary Smith, Finance Manager
Director Donner	Gloriann Sasser, Admin. Services Director	Marcia Holbrook, District Clerk

At 11:16 a.m., the Closed Session meeting was cancelled. Item 2, Public comment on closed session items; Item 3.1 Labor Negotiations: Employee Organization: Local 1230, International Association of Firefighters; Item 3.2 Labor Negotiations: Unrepresented Employees; Item 3.3 Labor Negotiations, Moraga-Orinda Fire Chief Officers' Association; and Item 5, Report of the closed session action were removed from the amended Regular meeting agenda.

6. PUBLIC COMMENT - ITEMS NOT ON THE AGENDA (audio 1:08)

President Jorgens opened Public Comment.

Jonathan Goodwin, Canyon resident, inquired about the cause of a recent fire on Pinehurst Road and asked who was investigating the fire and any indication of a public hazard. Mr. Goodwin requested an update on East Bay Regional Park District and compliance with Local and State ordinances regarding vegetation clearance and expressed public concern. Mr. Goodwin commented on the upcoming rain and suggested the District take preventative measures ahead of time to prevent potential issues with debris flow and navigation hazards or people getting stranded due to the heavy rainfall conditions.

Fire Chief Winnacker answered the fires on Pinehurst appear to be accidental with no indication of arson and is unaware of any police investigation. Fire Chief Winnacker responded that the East Bay Regional Park District compliance issue remains a matter of discussion and is not resolved. Fire Chief Winnacker explained with regard to debris flows, the District does not have the expertise to perform hydro surveys but is prepared for all-hazard responses as needed and deferred to East Bay Municipal District as the owner of that Watershed and the experts in the matter of hydrology.

There were no further requests to address the Board. President Jorgens closed Public Comment. No discussion by the Board.

7. CONSENT AGENDA (audio 5:10)

7.1 Meeting Minutes – September 15, 2021 (Regular), September 15, 2021 (Special), September 27, 2021 (Special). Approved and Filed

7.2 Monthly Incident Report – September 2021. Approved and Filed

7.3 Monthly Check/Voucher Register – September 2021. Approved and Filed

7.4 Monthly Financial Report – September 2021. Approved and Filed

Motion by Director Jex and seconded by Director Danziger to approve Consent Agenda items 7.1 through 7.4. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

President Jorgens opened Public Comment.

Jonathan Goodwin, Canyon resident, expressed appreciation for the quality of Board minutes and requested a correction be made correcting the word highway to driveway under item 8.3.

There were no further requests to address the Board. President Jorgens closed Public Comment. No further discussion by the Board.

8. REGULAR AGENDA

8.1 ~~Adopt Resolution No. 21-17 Making Findings and Determining A Need to Continue Holding Remote Meetings By Teleconference.~~ Agenda Item 8.1 was moved to the October 18, 2021, Special Meeting. No discussion from the Board.

8.2 Draft GASB 75 OPEB Valuation Report as of June 30, 2021, and Approval of OPEB Funding Policy (audio 7:20)

Administrative Services Director Sasser provided the report. A draft GASB 75 OPEB Valuation Report as of June 30, 2021, for OPEB benefits (retiree medical and dental insurance). The draft report calculates the long-term costs associated with the District's retiree medical benefits. ASD Sasser reviewed that the OPEB liability was prepared using a discount rate of 6.14% and assumes the District will continue to pre-fund the recommended contribution every year. The updated valuation report measured the net OPEB liability at \$11,537,795, a decrease of \$2,696,704 or 19% from the prior year's liability. Staff recommended that the Board provide direction to Staff regarding the Draft GASB 75 OPEB Valuation Report as of June 30, 2021, and approve the OPEB Funding Policy. ASD Sasser stated that the final GASB 75 OPEB Valuation Report will be presented to the Board at the next regular meeting for approval and introduced Roger Burton, GovInvest Actuary, and Christian Boughner, Precision Actuarial Inc.

Roger Burton, GovInvest Actuary, reviewed the GASB 75 OPEB Valuation Report and answered the Board's questions. Mr. Burton noted that the discount rate did decrease from 6.25% to 6.14% per Board direction. A decrease in the discount rate caused a slight increase in the liability but was overridden by other changes, as shown in the Executive Summary.

Mr. Burton reviewed the deferred outflows and inflows of resources arising from differences between projected and actual earnings on investments (page 9) and explained that the exhibit shows the calculation of the expenses, roughly equivalent to the change in liability from last year to this year, taking into account some of the components are amortized over time and only measuring the portion of those changes that are recognized this year. The exhibit shows the amounts that are deferred until a later year.

Director Jex inquired if the deferred amounts would flow in over the next four years. Mr. Burton confirmed so long as nothing else changes and things remain static over the next four years, the amounts would be recognized.

Mr. Burton reviewed the amortization of the net OPEB liability, pages 15-16, and the current Funding Policy. If the Board continues with the current Funding Policy, the amounts provided in the amortization are the amounts to be contributed to the Trust. The current District's funding policy is to contribute 100% of the sum of the service cost and amortization (both with interest) each year until the plan is fully funded, and then contribute the greater of the service cost or the total of the benefit payments and the implicit subsidy. Mr. Burton stated if the District continues the current funding method where the credit for the benefit payments paid outside of the Trust is greater than the calculated ADC, the District could start withdrawing from the Trust. Most agencies do not withdraw until they are fully funded. Mr. Burton explained that the District could continue to pay benefits outside of the Trust and not contribute to the Trust, but the Trust continues to grow because the District is not taking anything out. President Jorgens commented that the report shows that the District is on the right course. Director Danziger inquired about the Actual Rate of Return. President Jorgens asked the Audit Committee if the report provided what was needed for the financial statements. ASD Sasser confirmed. Director Jex asked if the information was reflected in the current Draft of the comprehensive annual financial report. ASD Sasser confirmed. Director Jex asked if the Auditor reviewed the information that went to the Actuaries. ASD Sasser confirmed the census data was sent to the auditor. ASD Sasser commented that the only change made in the OPEB Funding Policy is the discount rate was changed to reflect the 6.14% that the Board directed. President Jorgens stated that the reason for the change was based on the Investor's recommendation. ASD Sasser confirmed and stated that was the most recent long-term expected rate of return produced by Highmark Capital, which invests the money. Staff recommended that the Board approve the OPEB funding policy presented in item 8.2, attachment B in the board packet.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

Director Danziger supported the Draft GASB 75 OPEB Valuation Report as presented. President Jorgens agreed.

Motion by Director Jex and seconded by Director Danziger to approve the OPEB Funding Policy as recommended. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

8.3 Quarter Four Year-End Financial Update and Budget Review FY2021 (audio 32:25)

Administrative Services Director Sasser provided the report and presented a PowerPoint presentation, attached to these minutes, Item 8.3; attachment A. The financial update covered July 1, 2020, through June 30, 2021. The District's audit process has been completed. The financial results in this presentation were based on the District's audited financial statements. The audited financial statements will be presented in the comprehensive annual financial report at the November regular board meeting.

Director Jex asked if the increase in the Capital Projects Fund was due to grants that have not been expended. ASD Sasser confirmed.

President Jorgens commented that last year's budget was conservative and capital projects were delayed due to the uncertainty of the economy and expressed hope that the District can get back on track with the capital projects needed for the District. Fire Chief Winnacker stated the District has significant outstanding projects for Station 41 Administration and Station 45, and the current surplus is reflective of those deferred investments in those future capital needs.

Director Jex asked if the amount in receivables from the State was for the Strike Team activity. Fire Chief Winnacker confirmed and explained that some of the receivables are delayed due to the State seeking reimbursement from FEMA, specific to the OES COVID support, as well as the District has continued to have Strike Team activity. Director Jex stated that the previous agenda schedule showed an estimated \$500K more to be incurred and that we were looking at up to about \$1.5M potential receivables. Fire Chief Winnacker confirmed. President Jorgens asked if the numbers were included in the surpluses. ASD Sasser confirmed and explained that when a Strike Team is deployed, the District incurs the overtime expenses; and the revenue (to match the expenses) is recorded as an account receivable and in the revenue. Director Jex commented that the District has money invested or expended that has not been recovered and will need the resources to carry those receivables. ASD Sasser confirmed.

Director Danziger inquired what is included in the "other paid leave usage" report about leave usage. ASD Sasser answered worker's compensation or a family medical leave act.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment.

No action required by the Board; Informational purposes only. No further discussion by the Board.

8.4 Determine Whether to Terminate the 2021 COVID-19 Paid Supplemental Sick Leave Policy Effective October 21, 2021, or Terminate Effective at a Later Date or Have the Policy Remain in Effect (audio 44:43)

Fire Chief Winnacker provided the report. In April 2021, the Board approved the 2021 COVID-19 Paid Supplemental Sick Leave Policy. The Policy granted employees two weeks of COVID-19 paid supplemental sick leave as was required by State law. State law required the COVID-19 paid supplemental sick leave remain in effect through September 30, 2021. Current Policy states the District reserves the right to terminate the Policy, provided it does not do so before September 30, 2021. Staff recommended the Board determine whether to terminate the 2021 COVID-19 Paid Supplemental Sick Leave Policy effective October 21, 2021, or terminate effective at a later date or have the Policy remain in effect.

Director Jex inquired if District employees are vaccinated. Fire Chief Winnacker confirmed the vast majority have been vaccinated. President Jorgens asked if the First Responders were able to get the COVID booster shot. Fire Chief Winnacker answered District members received the Moderna vaccine and are pending availability.

Director Danziger supported keeping the COVID-19 Paid Supplemental Sick Leave policy in effect. Directors Donner, Jex, Jorgens agreed.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. No further discussion by the Board.

Motion by Director Danziger and seconded by Director Donner to keep the 2021 COVID-19 Paid Supplemental Sick Leave Policy in Effect until further notice. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

8.5 Authorize Acceptance of the FY2020 Homeland Security Grant Program Grant to Purchase an Environmental Beta-Attenuation Air Sampling Monitor; Authorize Staff to Enter Into a Memorandum of Understanding with the County of Contra Costa Office of the Sheriff and Authorize Capital Projects Fund Revenue and Expenditure Budget Adjustment Increases in the amount of \$23,950. (Audio 50:02)

Fire Chief Winnacker provided the report. The District has been awarded a grant as a sub-recipient of an FY 2020 Homeland Security Grant Program awarded to Contra Costa County in the amount of \$23,950. The purpose of the grant is to purchase an environmental beta-attenuation air sampling monitor. The District must complete the project by May 31, 2023. The potential for a large disaster, wildfire (including prescribed burns), or act of terrorism is a concern for the Lamorinda area and Contra Costa County. During these events, the health and safety concerns of air quality for first responders and the community (shelter-in-place) are a priority during the response and recovery phases of the event. Mobilizing a portable monitor will provide accurate, precise real-time measurements of fine particulate matters. Results are automatically reported in near real-time, eliminating the need for high levels of human intervention. Data collected will support incident actions and decision-making. Accepting grant funds requires a modification to the budget. A Capital Projects Fund budget adjustment is necessary to increase federal grant revenue \$23,950 and increase equipment expenditures in the amount of \$23,950. The District is required to issue a request for proposals in order to obtain bids from a variety of vendors. The exact cost of the monitor is unknown but is projected to be \$23,950 or less. The grant will reimburse the District for the purchase cost up to \$23,950. Staff recommended the Acceptance of the FY2020 Homeland Security Grant Program Grant to Purchase an Environmental Beta-Attenuation Air Sampling Monitor; Authorize Staff to Enter Into a Memorandum of Understanding with the County of Contra Costa Office of the Sheriff and Authorize Capital Projects Fund Revenue and Expenditure Budget Adjustment Increases in the Amount of \$23,950.

Fire Chief Winnacker added that the Rescue One Foundation generously purchased a remote automated weather station for the District, which has been instrumental in the communications with the Bay Area Air Quality Management District. The communications have resulted in an increase in the frequency with which the prescribed fire events are approved. Fire Chief Winnacker explained how specific particulate matter (EBM) measures are associated with the fire. The EBM is an adjunct to the District's remote automated weather station that allows the Ross to be positioned in proximity to the prescribed fire event and report the EBM results to the Bay Area Air Quality Management District in real-time. The measurement will lead to an increased frequency of approvals and potentially extended burn windows.

President Jorgens commented that the Fire Chief discretionary fund is available if the grant costs more than proposed. Fire Chief Winnacker confirmed and stated that the base unit is less than the grant amount. The issue is how much of the maintenance is built into the purchase price.

Director Danziger asked if any specialized training was required to use this equipment. Fire Chief Winnacker answered specialized training is not required.

Director Jex inquired if most grants have this volume of paperwork. Fire Chief Winnacker confirmed that most Homeland Security grants are laborious and time-consuming.

President Jorgens opened the public comment.

Jonathan Goodwin, Canyon Resident, asked if the Fire Chief considered using the boilerplate in this MOU for potential construction of future boilers. Mr. Goodwin asked about the role with the Sheriff's Office and if there are any other grant application purposes.

Fire Chief Winnacker answered that Staff has considered boilers. Fire Chief Winnacker explained the role of the Sheriff's Office and the Office of Emergency Services, the process, and priorities for disbursement of federal monies for the Homeland Security grant program.

There were no further requests to address the Board. President Jorgens closed public comment.

President Jorgens noted Mr. Goodwin's previous request to make a technical correction with the September 15, 2021, Regular Board Meeting minutes. The public comment period was mistakenly opened after the adoption of the minutes. If no objections, the Clerk will make the technical correction in the minutes. Fire Chief Winnacker confirmed the correction to be made is on item 7.1, the bottom of page 4 of 17, under Jonathan Goodwin's comments, strike highway 24 for driveway 24, which is correct. No objections were heard.

No further discussion by the Board.

Motion by Director Jex and seconded by Director Donner to Authorize Acceptance of the FY2020 Homeland Security Grant Program Grant to Purchase an Environmental Beta-Attenuation Air Sampling Monitor; Authorize Staff to Enter into a Memorandum of Understanding with the County of Contra Costa Office of the Sheriff and Authorize Capital Projects Fund Revenue and Expenditure Budget Adjustment Increases in the Amount of \$23,950. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

9. COMMITTEE REPORTS (audio 61:52)

9.1 Audit Committee (Directors Danziger and Jex).

Director Jex reported that an Audit Committee meeting is planning to meet with the Auditor within the next couple of weeks to review a list of questions regarding the audit.

9.2 Finance Committee (Directors Danziger and Jorgens). No report.

9.3 Facilities Station 41 Ad Hoc Committee (Directors Baitx and Donner). No report.

9.4 Joint Fire Prevention Ad Hoc Committee (Directors Danziger and Jorgens).

Director Danziger reported that the authority for Joint Fire Prevention Committee has expired. The City of Orinda will look into what is needed to renew the authority.

President Jorgens opened the public comment. There were no requests to address the Board. President Jorgens closed public comment. No discussion by the Board

10. ANNOUNCEMENTS (audio 63:35)

10.1 Brief information only reports related to meetings attended by a Director at District expense (Government Code Section 53232.3(d)). No report.

10.2 Questions and informational comments from Board members and Staff. No report.

10.3 Fire Chief Updates

10.3.1 Operations

Fire Chief Winnacker provided the report and shared a PowerPoint presentation on current operations activity in addition to the continued out-of-county and wildland deployments in the area, attached to these minutes, Item 10.3.1; attachment A. On September 16, 2021, mutual aid was provided to Lafayette for a commercial structure fire. Commercial structure fires are difficult fires, particularly with the occupancy type, with high fire load and potential for volatile liquids that, when ignited, can flow rapidly in proximity to other commercial structures and developed areas downtown. Members were able to deploy and integrate into Contra Costa County as part of the boundary drop, where the agencies seamlessly flow resources back and forth.

On October 2, 2021, the District responded to a vehicle accident on San Pablo Dam Road involving the impact of two vehicles, which resulted in a number of people being transported, one via LifeFlight. One patient was declared deceased at the scene.

On October 12, 2021, the District responded to a vehicle fire that spread into the surrounding vegetation area on Grizzly Peak near Lomas Cantadas. A rapid response from the District was able to stop and prevent the fire from spreading. The vehicle fire occurred one day after a red flag event, and the area had seen previous fuel treatment and grazing, which was beneficial to the prevention of fire spread.

On October 18, 2021, the District responded to a fatal structure fire in North Orinda in conjunction with Contra Costa County. The structure was a large home without fire sprinklers. The well-involved fire from the opposite end of the home likely delayed reporting of the fire, which allowed the fire to become well established before the residents became aware of it and began their evacuation. The cause of this fire remains under investigation.

On October 20, 2021, the District responded to a fatality incident with a tree trimmer who fell from the upper heights of a very tall tree and died upon impact.

Fire Chief Winnacker urged everyone to be careful both on the roads and when carrying out functions. Fire Chief Winnacker recommended that everyone ensure their smoke detectors are working and suggested interconnected smoke detectors with new wireless technology. Interconnected smoke detectors help ensure that occupants are aware of a fire in a remote portion of the home.

10.3.2 Human Resources

Human Resources Manager Dalton provided the report. The new Fuels Mitigation Specialist, Gianni Pagliuca, started on October 18, 2021, and reports to the Fuels Mitigation Manager, Gorden Graham. Open enrollment for health insurance is closed.

10.3.3 Finance Report

Finance Manager Smith provided the report and presented the status of OES reimbursements, attached to these minutes, Item 10.3.3; attachment A. A draft of the Comprehensive Annual Financial Report for the year ended June 30, 2021, was sent to the Board for review. The report will be presented to the Board for approval at the November 17th board meeting. Fire Chief Winnacker commented that the District will continue to have members deployed for wildfire activity. Last year the District finished the year with 738-person days in total. As this year's fire season ends with the early onset of winter, the number of person-days will be less than last year due to the early onset of winter (thankfully), which speaks to the volatility of Strike Team Revenue year-over-year.

10.3.4 Fire Marshal

Fire Marshal Isaacs provided the report. The Fire Prevention monthly data report is available for viewing in the board packet as Item 10.3.4.

President Jorgens inquired on the status of the failed inspections and property transfers. Fire Marshal Isaacs explained the process with the property owners for bringing them into compliance. President Jorgens asked how long the process was taking for the property transfers. Fire Marshal Isaacs answered the property transfers had seen the greatest success with compliance to the fire code.

Director Jex commented on the many dead trees along Highway 24 from Orinda and through Lafayette on both sides. Fire Chief Winnacker explained those dead trees are over the City line in Lafayette and on state-owned land. Caltrans has been clear that they are not subject to MOFD regulations. There has been a significant die-off of trees in both areas with an accumulation along Highway 24 East of St. Stephens. Caltrans has received \$30M for roadside mitigation in this area. The initial bidding process resulted in proposals priced at \$30K per acre, and Caltrans plans to revisit the bid process. Staff is scheduled to meet with Caltrans.

Director Danziger asked if all 625 property transfer inspections have passed inspections. Fire Marshal Isaacs answered that before the property can transfer, it must pass the inspection. Fire Chief Winnacker noted that the property transfers had been a very effective way to get properties into compliance. The owners are incentivized to do the work and this process has demonstrated that the work can be done quickly. Staff has observed that almost all residential parcels in the one to two-acre size range can be brought into compliance within a matter of days with the appropriate resources. The incentivized owners stand in sharp contrast with some parcels that have been part of a very drawn-out process to comply with the fire code.

Director Danziger inquired on the status of the three properties that went through the 2021 Abatement Hearings and if the Abatement Hearing incentivized those property owners to abate their properties. Fire Marshal Isaacs answered that 56 Orchard responded to the Abatement Hearing and self-compiled with the order to abate the property. Properties on 106 Tappan and 231 Rheem failed to comply and required District funded contractors to abate the properties. The work has been accomplished and we are working through the process now to issue invoices to the Property Owners. Failure to pay the invoices will result in a lien hearing in January or February of 2022.

Fire Chief Winnacker stated that the Fuels Mitigation Specialists would begin training and qualifying as Damage Inspection Specialists for the District. This program will give the District the ability to deploy Specialists during the aftermath of major fires where they will perform inspections of properties that were damaged or destroyed. Fire Chief Winnacker stated the benefits are not only a career progression for the Specialists which makes the position more desirable for recruitment and retention; but specifically, once a Specialist has seen houses that have burned and have not burned in close proximity to each other, it provides a perspective of the landscape and develops knowledge that the Specialists can use to translate the importance of exterior hazard abatement and fuel reduction techniques that work and do not work when observing two houses side by side. One is burned, and one is not. All Directors supported the training program.

10.4 Communications Received

Fire Chief Winnacker reported several emails and notes received from the community and out-of-county deployments commending the MOFD Members' response and professionalism of the crews. Fire Chief Winnacker praised the MOFD Member's performance and professionalism under trying circumstances. President Jorgens concurred and received similar feedback from several neighbors of the fire for both the MOFD members and Contra Costa County.

Director Danziger thanked Fire Chief Winnacker for attending the Assemblymember Rebecca Bauer-Kahan-sponsored event on fire prevention and continually speaking at events to communicate the message of fire mitigation and fire prevention.

10.5 Future Agenda Items

Director Donner suggested the District create a smoke detector program for our elderly residents. President Jorgens agreed.

Director Donner requested the Board take a moment of silence in memory of Oakland Police Officer Jon Grubensky, Oakland Fire Battalion Chief James Riley, and the 23 civilians whose lives were lost during the Oakland Fire Storm 30 years ago. A moment of silence was observed.

President Jorgens opened the public comment.

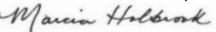
Jonathan Goodwin, Canyon Resident, commented that Pinehurst should be listed as one word and not two words listed on the Fire Marshal's report. Mr. Goodwin appreciated the increase in school inspections. Mr. Goodwin asked how many total homes are in the District out of the 897 home inspections. Fire Marshal Isaacs answered approximately 14,000 parcels in the District.

There were no further requests to address the Board. President Jorgens closed public comment.

No further discussion by the Board.

11. ADJOURNMENT

At 8:31 p.m., Director Danziger motion and seconded by Director Donner to adjourn the meeting. Said motion carried 4-0-1-0 roll call vote (Ayes: Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: Baitx; Abstain: None).

Marcia Holbrook,

District Secretary/District Clerk



Financial Update Quarter Four Year End

July 1, 2020 – June 30, 2021

FY2021 Budget Adoption COVID-19

- Significant assumed ongoing economic uncertainty due to COVID-19 pandemic
- Government Finance Officers' Association recommended local governments maintain budget flexibility:
 - Budget revenue conservatively low
 - Budget expenditures conservatively high
- District adopted conservative budget
 - Original Budget deficit projected \$1.5M (June 2020)
- District implemented quarterly financial updates
 - Quarter 1 - Projected deficit \$657K (September 2020)
 - Quarter 2 - Projected deficit \$441K (December 2020)
 - Quarter 3 - Projected surplus \$571K primarily due to \$447K one-time NOSFB administrative fee transfer (March 2021)

Quarter Four General Fund Surplus

- Actual surplus \$2.7M
- Transfer from Fuel Break Fund \$447K

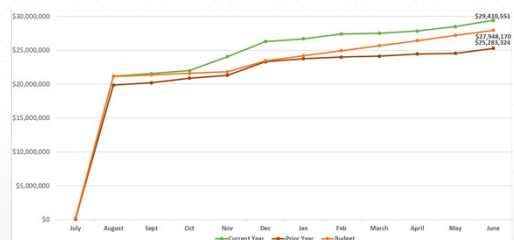
	Actual
Revenue	\$29.4M
Expenditures	\$26.7M
Surplus	\$2.7M

Quarter Four Financial Update

Revenue – Exceed budget \$1.5M Expenditures – Less than budget \$1.7M

- Property tax exceed budget \$248K
- Strike team revenue \$372K
- Ambulance services +\$315K
- Fire prevention/plan review +\$133K
- Transfer from Fuel Break Fund +\$447K
- Salaries less than budget (\$374K)
- Strike team overtime (\$469K)
- Overtime exceeded budget \$72K
- Retirement contributions (\$221K)
- OPEB contribution (\$144K)
- Services & supplies (\$242K)

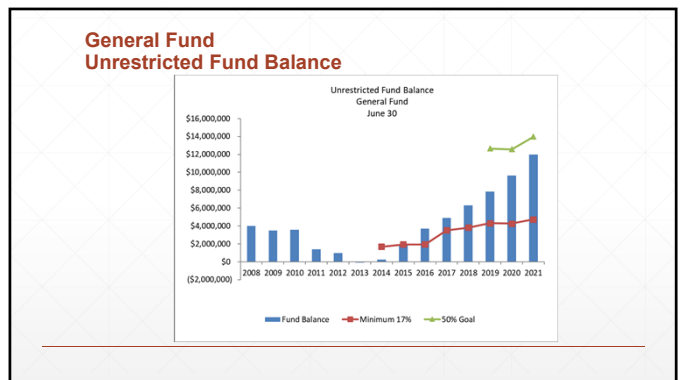
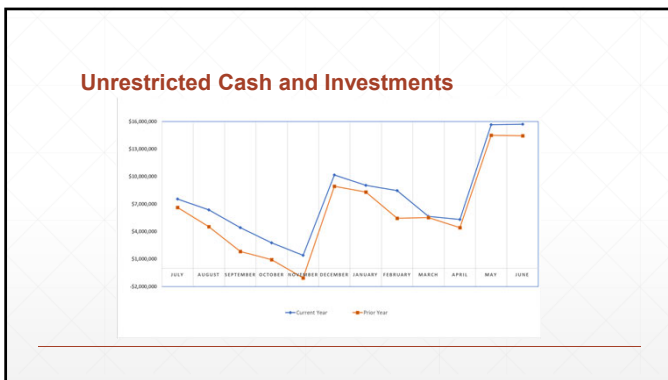
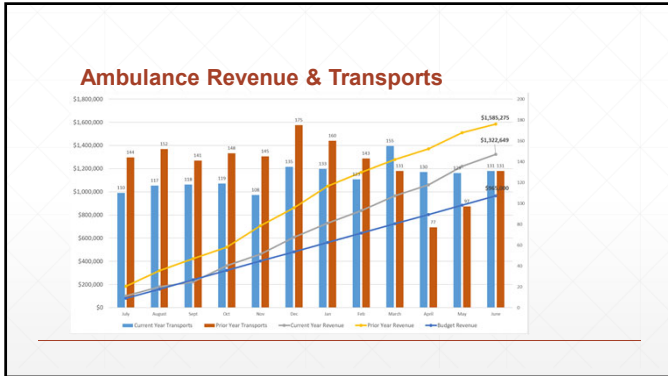
General Fund Revenue



General Fund Expenditures



Item 8.3 - Attachement A

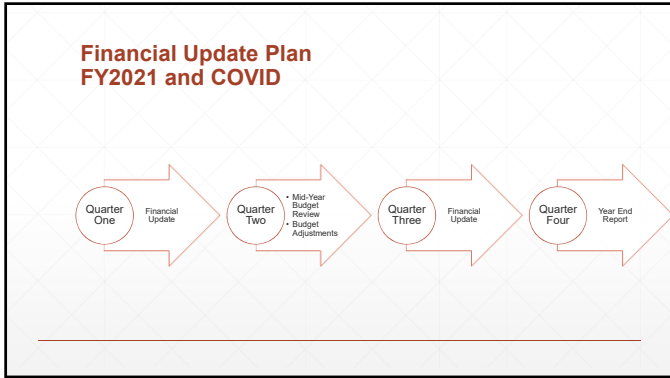


COVID-19 Expenditures FY2021

Expenditures July 1 through June 30, 2021

Respirators	\$6,070
Technology equipment – remote work	5,032
EMS backpacks/medic bags	3,204
Personal protective equipment, supplies, equipment	15,508
Cleaning of Station 45 & Administration, disinfectant	4,133
Testing and quarantine expenses	3,848
Rescue One donation	(1,800)
Total	\$35,995

- ### Other Funds
- Capital Projects Fund – Surplus \$580K
 - Debt Service Fund – Surplus \$260K
 - North Orinda Emergency Fuel Break – Fund balance transferred to General Fund \$446,887 and fund closed




Item 10.3.1 - Attachment A
Operations







Strike Team Reimbursement - OES 

- Strike Team Receivable Update:

	Actual 2020-2021	Estimated 2021-2022	Total
OES Strike Team Receivable	\$3,345,197	\$942,620	\$4,287,817
OES Payments Received	\$2,410,739	\$0	\$2,410,739
Net Receivable Outstanding	\$ 934,458	\$942,620	\$1,877,078
- 2021-2022 figures estimated based on F-42's received to date
- 2021-2022 Wildfire activity – 39 assignments since July 1:
 - Estimated Strike Team Receivable to Date \$943k; 403 person days
- A draft of the Comprehensive Annual Financial Report for the Year Ended June 30, 2021 has been sent to the Board for review. The Report will be presented to the Board for approval at the November 17 Board meeting.



Moraga-Orinda Fire District
BOARD OF DIRECTORS
SPECIAL BOARD MEETING MINUTES
October 27, 2021

1. OPENING CEREMONIES

The Board of Directors convened a teleconference Open Session at **6:00 p.m.** on **October 27, 2021**, via the Zoom application <https://us02web.zoom.us/j/83027037438>, webinar id: 83027037438 and by phone 669-900-6833. This meeting was conducted by webinar and teleconference only in accordance with AB 361. The meeting was not available for in-person attendance.

President Jorgens called the meeting to order and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Donner	Jonathan Holtzman, District Counsel
Director Baitx	Director Jex – <i>reported to closed session</i>	Marcia Holbrook, District Clerk
Director Danziger	Dave Winnacker, Fire Chief	

2. PUBLIC COMMENT (audio 0:50)

President Jorgens opened Public Comment on the closed session items. There were no requests to address the Board. President Jorgens closed Public Comment.

At **6:01 p.m.**, the Board adjourned to Closed Session. Present were the following Directors and Staff:

President Jorgens	Director Jex	Donna Williamson, District Counsel
Director Baitx	Dave Winnacker, Fire Chief	Marcia Holbrook, District Clerk
Director Danziger	Gloriann Sasser, Admin. Services Director	
Director Donner	Jonathan Holtzman, District Counsel	

3. CLOSED SESSION

3.1 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Local 1230, International Association of Firefighters IAFF

3.2 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Jonathan Holtzman
Employee Organization: Unrepresented Employees

3.3 Conference with Labor Negotiator

(Government Code Section 54957.6)
Agency Designated Rep: Donna Williamson
Employee Organization: Moraga-Orinda Fire Chief Officers' Association

4. RECONVENE THE MEETING (audio 2:30)

4.1 Call the Meeting to Order

4.2 Roll Call

President Jorgens reconvened the Moraga-Orinda Fire District Board of Directors' special business meeting at **7:00 p.m.** and requested an attendance roll call. Present were the following Directors and Staff:

President Jorgens	Director Jex	Donna Williamson, District Counsel
Director Baitx	Dave Winnacker, Fire Chief	Marcia Holbrook, District Clerk
Director Danziger	Gloriann Sasser, Admin. Services Director	
Director Donner	Jonathan Holtzman, District Counsel	

5. REPORT OF CLOSED SESSION ACTION (audio 2:58)

President Jorgens stated that the Board took no reportable action on agenda items 3.1-3.3.

6. SPECIAL AGENDA

6.1 Approval of a Memorandum of Understanding between the District and United Professional Fire Fighters of Contra Costa County IAFF. Local 1230, AFL-CIO for the period July 1, 2021 – June 30, 2024; Approval of Salary Schedule Effective July 1, 2021; Approval of FY2022 General Fund Expenditure Budget Adjustment. (audio 4:05)

District Negotiator Williamson provided the report and shared a PowerPoint presentation reviewing the Moraga Orinda Fire District IAFF Local 1230 Negotiations Process; attached to these minutes, item 6.1 attachment A. The Initial Planning Process included Closed session meetings held to review data, history and provide initial direction in bargaining. Twelve Labor Negotiations Meetings were held between December 2020 and October 2021. One day of Pre-Impasse Mediation occurred. The Board was regularly updated in 18 closed sessions while negotiations and mediation were occurring. The key negotiation

bargaining issues included wages, medical benefits for current employees, and retiree medical benefits. Key provisions of the tentative agreement and MOU changes included: the Term of three years (expires on June 30, 2024), Wages increases 4% (FY2022)/4% (FY2023)/5% (FY2024), increase in the medical benefit District monthly contribution, and Retiree Medical Benefits District contribution to RHSA. The projected fully burdened additional cost, including retirement costs and payroll taxes:

	Projected Additional Annual Cost FY2022	Projected Additional Annual Cost FY2023	Projected Additional Annual Cost FY2024	Projected Cumulative Cost Total
Salary increases 4%/4%/5%	\$603,166	\$627,293	\$816,989	\$3,881,073
Payroll costs fully burdened - Local 1230	\$15,144,573	\$15,750,356	\$16,537,874	
Medical insurance increases to \$798/\$1,595/\$2,073	\$58,140	Ongoing	Ongoing	\$174,420
Retiree health savings account contribution all employees - \$100 per month	\$68,400	Ongoing	Ongoing	\$205,200
Total	\$729,706	\$627,293	\$816,989	\$4,260,693

The two parties successfully reached a tentative agreement. Local 1230 ratified the tentative agreement (TA) on October 14, 2021. The Term of the recommended MOU is July 1, 2021 – June 30, 2024.

Director Danziger inquired when Local 1230 voted to approve the tentative agreement, is the vote a majority vote. District Counsel Williamson answered it is typically a majority of those voting; however, the voting process is governed by Local 1230 bylaws which MOFD is not a party to. Director Danziger asked if the details of the vote were known. District Counsel Williamson answered that sometimes those details are reported. Local 1230 only reported that the TA was approved.

President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment.

Director Danziger provided a statement about the negotiations with labor groups and highlighted that they are often an arduous process. The negotiations began in December 2020 and took 12 months. Director Danziger supported the agreement and expressed appreciation and gratitude for the men and women of the MOFD who ensure the highest quality of service to the District. Director Danziger noted that the total pay increases in the contract are the same as the previous labor agreement. Neighboring jurisdictions have contracts in place where the increases are equal or more to what is proposed. Director Danziger reiterated the outpouring of support and praise for the firefighters in the services provided by MOFD. Director Danziger talked about improvements such as increasing fire prevention programs, possibly replacing Station 41, and bringing Station 45 up to a modern standard. The year 2022 will be the 25th anniversary of the creation of MOFD. Director Danziger urged all Directors to support the new labor agreement. Directors Donner and Baitx expressed support for Director Danziger's comments.

Director Jex expressed reservations with the recommendation due to the agreement's impact on the long-term financial forecast. The additional expenditure of \$4,260,693 in salaries, retirement benefits, and payroll costs would reverse all of the gains made in the General Reserve Fund balance and the objective of trying to reach 50% reserves. The Fund has reached 43%, but the agreement will reverse all the gains in the next six years. The District will never reach the 50% target. The agreement will reduce the long-range forecast of the General Reserves fund balance down to 20%, which is inadequate to fund the District's operations and the associated risks and the impact on the cash flow. Director Jex provided three examples: the Pension Plan expenditure over \$5M was issued in the first month (20% of total expenditures for the year). To fund expenditures of that magnitude requires a fiscally strong organization to fund payments that do not occur 1/12 in the 12 months. A second example is funding the deployments that bring great training opportunities. The deployments require the District to fund the deployments and recover that receivable from the State, which takes many months. The District is still pending \$900,000 reimbursement, and the total is expected to go up to \$1.5M. The third example is the ability to manage and fund a \$7M fuel break grant. Director Jex concluded that if the District does not have adequate cash to fund these items, it forces the District to borrow money from the county during the first six months of the fiscal year. In order to borrow money from the county, that requires the District to pay out all the cash balances, including the balances in the Fund for Capital projects. Considering all the District's projects that it needs to fund, the District is talking about liquidating that balance periodically. Director Jex opposed the new labor agreement.

President Jorgens stated he was selected to represent all of the interests of the citizens of Orinda and Moraga. The voters have multiple priorities for MOFD, which include keeping the best firefighters and EMS personnel. President Jorgens expressed appreciation and support for the Firefighters and EMS personnel.

Support includes investing significant money in fire prevention, fuel reduction, developing and utilizing technology for early fire detection, prevention, and evacuations, and maintaining safe and reliable fire stations throughout the District. President Jorgens supports a reasonable salary increase; however, the total cost of the proposed contract precludes sufficient funding for emergency preparedness and prevention that the community needs and wants. The labor agreement will delay the replacement of Station 41. President Jorgens stated multiple items that have to be prioritized.

Director Danziger commented that the salary that the Firefighters take home is predicated on a lot of factors that include equitable pay to other Districts and retention. The labor agreement brings the MOFD in alignment with surrounding Districts. Director Danziger recommended supporting the labor agreement.

Motion by Director Danziger and seconded by Director Donner to Approve of the Memorandum of Understanding between the District and United Professional Fire Fighters of Contra Costa County IAFF. Local 1230 for July 1, 2021 – June 30, 2024; Approve of the Salary Schedule Effective July 1, 2021. Said motion carried 3-2-0-0 roll call vote (Ayes: Baitx, Danziger, and Donner; Noes: Jex and Jorgens; Absent: None; Abstain: None).

Fire Chief Winnacker reviewed the general fund expenditure budget adjustment options and requested board direction.

- Option 1: Increase General Fund expenditure appropriations \$729,706. This will result in a General Fund budgeted surplus of \$14,488.
- Option 2: Increase General Fund expenditure appropriations \$619,706 (this option accounts for the budget savings from the five vacant authorized positions.) This will result in a General Fund budgeted surplus of \$124,488.
- Option 3: Do not approve a budget adjustment at this time and wait for the Mid-Year Budget Review which will occur in February 2022.

Director Danziger supported deferring to mid-year. All Directors agreed—no further discussion by the Board.

6.2 Approval of Salary Schedule for Unrepresented Employees Effective July 1, 2021 (audio 25:48)

Fire Chief Winnacker provided the report. Historically District employees receive annual salary increases. The District has employee classifications that are unrepresented and not covered by a Memorandum of Understanding or separate employment contract. The last salary increase for these unrepresented employees was 2%, effective July 1, 2021. Staff recommends unrepresented employees receive an additional 2% salary increase effective July 1, 2021, to make the total July 1, 2021 salary increase 4%. The salary schedule has been updated to reflect a total salary increase of 4%. The projected FY2022 total cost of the additional 2% salary increase is \$28,430. Staff recommended that Board approve the Salary Schedule for Unrepresented Employees Effective July 1, 2021

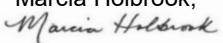
President Jorgens opened Public Comment. There were no requests to address the Board. President Jorgens closed Public Comment.

Director Danziger stated that the Unrepresented Employees were formerly represented by a labor agreement, and they chose to get out of that labor group. Director Danziger expressed support for providing increases to the Unrepresented Employees. No further discussion by the Board.

Motion by Director Danziger and seconded by Director Donner to Approve the Salary Schedule for Unrepresented Employees Effective July 1, 2021. Said motion carried 3-2-0-0 roll call vote (Ayes: Baitx, Danziger, and Donner; Noes: Jex and Jorgens; Absent: None; Abstain: None).

7. ADJOURNMENT

At 7:27 p.m., Director Danziger motion and seconded by Director Donner to adjourn the meeting. Said motion carried 5-0 roll call vote (Ayes: Baitx, Danziger, Donner, Jex, and Jorgens; Noes: None; Absent: None; Abstain: None).

Marcia Holbrook,

District Secretary/District Clerk

For an audio recording of this and other Board meetings, please visit the MOFD District Board Meeting at www.mofd.org/agendas.

LIEBERT CASSIDY WHITMORE
EMPLOYMENT LAW | LABOR RELATIONS | EDUCATION LAW | MANAGEMENT TRAINING

**Moraga Orinda Fire
 District IAFF Local 1230
 Negotiations Process**

October 27, 2021

www.LCWlegal.com

Presented by: *Donna Williamson*
 Partner



Agenda

- Review Legal Obligations Under the MMBA
- Overview of the 2020-2021 IAFF Negotiations
- Key Issues
- Key Provisions of TA and MOU changes
- Legal Process Following Reaching a Tentative Agreement
- Open Session Process

2

Negotiations Legal Requirements

- District is governed by the Meyers-Milias-Brown Act (MMBA)
- Good Faith Negotiations Requirement: Parties are required to negotiate in good faith until the parties reach either (1) agreement, or (2) an impasse in negotiations
- Parties negotiated to an agreement which was reached on October 14, 2021

3

Overview of Process


- **Initial Planning Process**
 - Closed session meetings were held to review data, history and provide initial direction in bargaining
- **Labor Negotiations**
 - Twelve (12) Negotiations Meetings between December 2020 and October 2021
- **Pre-Impasse Mediation**
 - One (1) Day of Mediation
- **Closed Sessions:** Board was regularly updated in eighteen (18) closed sessions while negotiations and mediation were occurring

4

Key Bargaining Issues

- Wages
- Medical Benefits for current employees
- Retiree Medical Benefits

5




Key Provisions of TA and MOU Changes

- **Term:** Three years expires on June 30, 2024
- **Wages:**
 - Year 1: 4% salary increase
 - Year 2: 4% salary increase
 - Year 3: 5% salary increase
- **Medical Benefits for current employees:** District monthly contribution increased to equivalent of 93% of Kaiser rate as follows:
 - Employee Only Coverage: \$798
 - Employee Plus One Coverage: \$1,595
 - Employee Plus Family Coverage: \$2,073
- **Retiree Medical Benefits:** \$100 District contribution to RHSA

6

Liebert Cassidy Whitmore

6033 W. Century Blvd., Suite 500 Los Angeles, CA 90045 (310) 981-2000 FAX: (310) 337-0837
 5701 N. West Ave., Fresno, CA 93711 (559) 256-7800 FAX: (559) 449-4535
 153 Townsend Street, Suite 520 San Francisco, CA 94107 (415) 512-3000 FAX: (415) 856-0306
www.lcwlegal.com



Financial Cost – Fully Burdened

The projected fully burdened additional cost including retirement costs and payroll taxes:

	Projected Additional Annual Cost FY2022	Projected Additional Annual Cost FY2023	Projected Additional Annual Cost FY2024	Projected Cumulative Cost Total
Salary increases 4%/4%/5%	\$603,166	\$627,293	\$816,989	\$3,881,073
Payroll costs fully burdened - Local 1230	\$15,144,573	\$15,730,356	\$16,537,874	
Medical insurance increases to \$798/\$1,595/\$2,073	\$58,140	Ongoing	Ongoing	\$174,420
Retiree health savings account contribution all employees - \$100 per month	\$68,400	Ongoing	Ongoing	\$205,200
Total	\$729,706	\$627,293	\$816,989	\$4,260,693

7



Legal Requirements following TA

- Process required following reaching a Tentative Agreement:
 - Union votes to ratify the Agreement
 - Updated MOU is prepared and approved by the Union
 - Updated MOU is presented in an open session meeting of the Board
 - Government Code section 3505.1 requires that the TA must be voted on by the Board within 30 days of initial presentation to Board

8



Open Session Process

- IAFF Local 1230's membership ratified the TA on October 14, 2021
- Tonight, the Board will hold a public hearing, discuss the TA and vote on its adoption
- The terms of the TA were the result of a lengthy, good faith process resulting in mutual agreement

9

MOFD Response Time Summary by Incident Type (grouped) for All Code 2 and Code 3 Responses.

Will only show Incident Types that are applicable. EMS/Rescue \ Structure Fires (actual type is in a structure) \ Vegetation Fires \ Other Types Grouped - Alarms/Hazards/Pub Svc/Etc... Data Is Based On Completed RMS Incident Report Data Entered by Company Officer. Resp. Data Based on "First Arriving Unit". "In District" = Moraga, Orinda, Canyon. "Out of District" = Lafayette & any Other City Aid Provided to.

	October, 2021								Totals
	All Others (Alarms / Pub Service / Et..)		EMS / Rescue	Structure Fires		Veg Fires	Vehicle Accidents		
	In District	Out of Dist.	In District	In District	Out of Dist.	Out of Dist.	In District	Out of Dist.	
Incident Totals	109	6	138	2	1	1	21	3	281
Median Turnout	1.20	1.27	1.20	1.70	1.93	4.25	1.38	0.82	1.23
Median Resp Time	6.33	9.78	4.95	9.58	11.63	50.68	6.53	10.12	5.78
Resp Time (90th%)	9.93	24.92	8.46	17.32	11.63	50.68	11.58	10.30	9.93

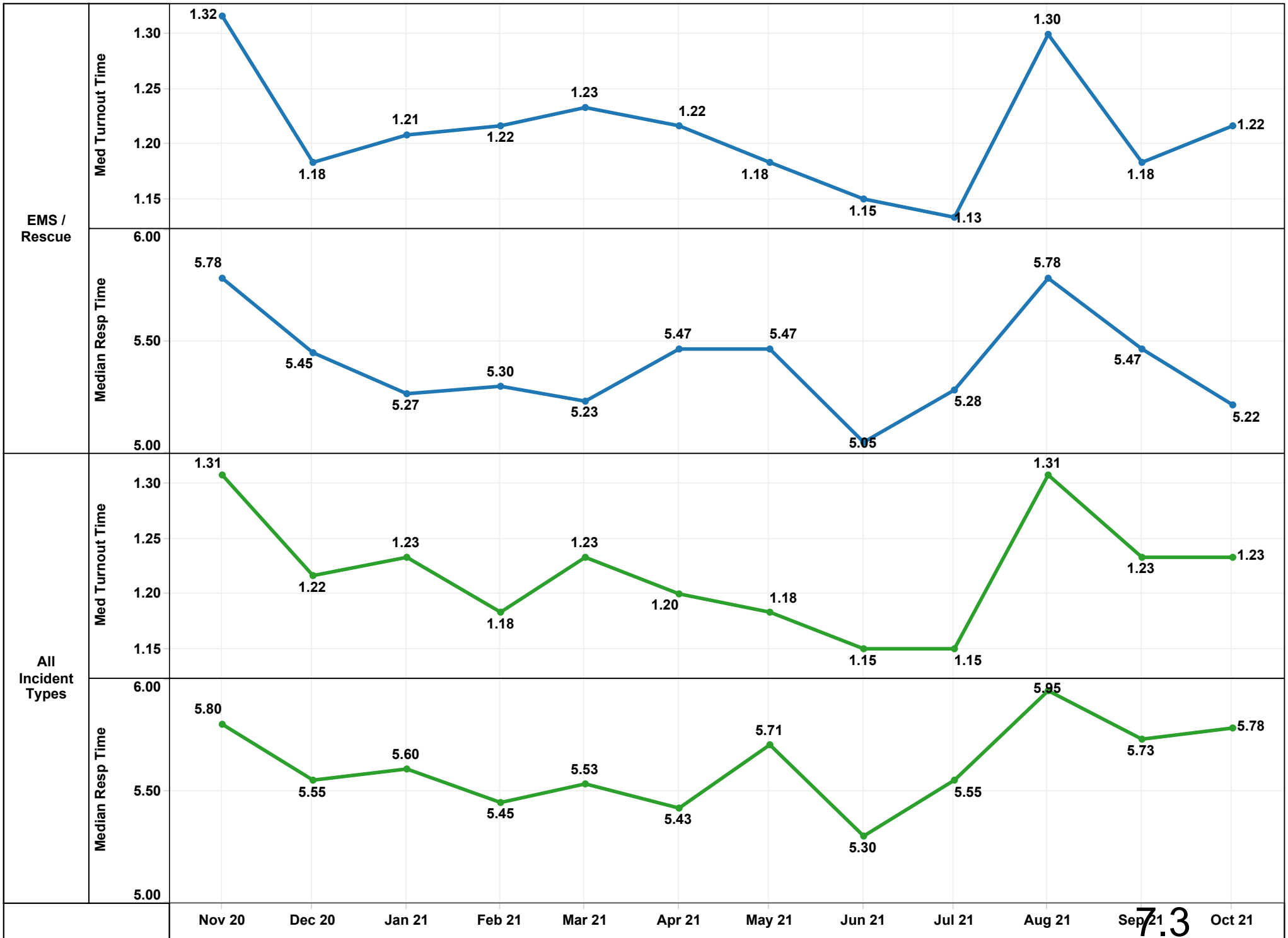
Code 3 Response Time Summary by City and Incident Type. Times shown are based on the First Responding Units Arrival at Scene of Emergency.

		October, 2021			
		Incident Totals	Median Turnout	Median Resp Time	Resp Time (90th%)
Orinda	EMS / Rescue	58	1.38	5.98	9.26
	Structure Fires	1	1.70	9.58	9.58
	All Other Types	21	1.18	5.73	7.23
	Totals for City	80	1.37	6.00	9.58
Moraga	EMS / Rescue	75	1.09	4.71	7.59
	All Other Types	12	0.78	5.36	8.40
	Totals for City	87	1.08	4.72	7.67
Lafayette	EMS / Rescue	2	0.78	9.61	10.30
	Structure Fires	1	1.93	11.63	11.63
	Totals for City	3	0.82	10.30	11.63
Canyon	All Other Types	1	1.57	12.33	12.33
	Totals for City	1	1.57	12.33	12.33
Overall Total		171	1.20	5.48	9.09

Response Totals By Incident Type

	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Total
All Others (Alarms / Pub Service / Etc.)	82	95	79	82	73	97	94	96	98	114	104	169	1,183
EMS / Rescue	129	158	152	131	147	141	135	154	165	173	161	138	1,784
Structure Fires	4	2	1	2	1	1	4	4	1		2	3	25
Veg Fires	1	1				1	3	2	4	1		1	14
Vehicle Accidents	18	20	21	14	17	16	12	15	13	14	16	24	200
Grand Total	234	276	253	229	238	256	248	271	281	302	283	335	3,206

Run Chart for MOFD EMS / Rescue and All Incident Types for the last full 12 months. Median Turnout and Response Times By Month for First At Scene Units



7.3

Incident Types

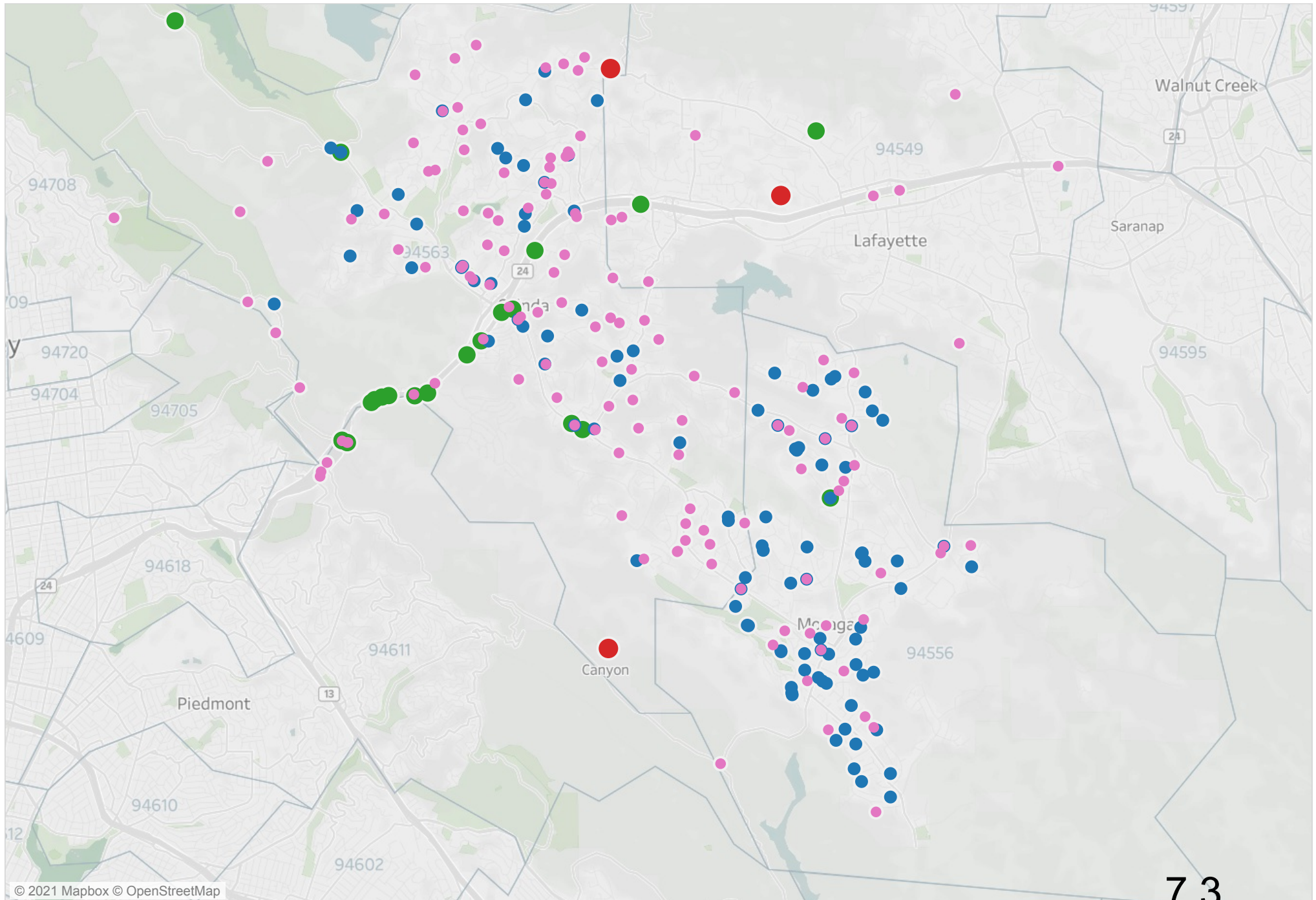
■ All Others (Alarms / Pub Service .. ■ EMS / Rescue

■ Veg Fires

■ Vehicle Accidents

■ Structure Fires

Incident Location Map for MOFD October 2021



Check Register - October 2021

50 - General Fund

Check Number	Check Date	Name	Check Amount	Transaction Description
ACHCalpers10.13.21	10/13/2021	Calif. Public Employees'	197,462.37	CalPers October
773	10/8/2021		193,537.62	Correct CCCERA 10.8.21
30289	10/28/2021	Alameda County Fire Department	50,187.50	Repair units 441, 455, 463, 409, 461
30238	10/7/2021	Fire Ready LLC	46,700.00	Pinehurst Fire Break - Cal Fire \$200k
30252	10/14/2021	ArborWorks, Inc.	25,290.00	Pinehurst tree work - CalFire \$200k
30237	10/7/2021	Expert Tree Service	23,400.00	Lien-Funded Tree Work - 106 Tappen Lane
770	10/13/2021	U.S. Bank	16,461.72	Cal Card Pymt 9/22/21 Statement
30266	10/21/2021	ArborWorks, Inc.	16,200.00	Lien-Funded work - 231 Rheem Blvd
ACHDD10.07.21	10/6/2021	Delta Dental Plan of Calif.	16,184.08	Delta Dental October
8439	10/20/2021	Definitive Networks, Inc.	16,092.00	DNI May 2021
8500	10/29/2021	Definitive Networks, Inc.	16,092.00	DNI September 2021
GEM1021BME4	10/31/2021	Department of Health Care Services	11,529.90	GEMT Pymts 1Q 2021
GEM1121W4J9	10/31/2021	Department of Health Care Services	10,861.50	GEMT Pymts 2Q 2021
	10/21/2021	West Coast Code Consultants	9,451.16	Fire Inspector - Sept 2021
30270	10/21/2021	Bound Tree Medical, LLC	9,293.12	Medical Supplies
30249	10/7/2021	Sequoia Ecological Consulting, Inc.	8,559.50	Revised Sequoia Invoice - Pinehurst FB - CalFire \$200k
30296	10/28/2021	GovInvest Inc.	6,750.00	FY21 GASB 75 Valuation
	10/14/2021	L.N. Curtis & Sons	5,948.45	Turnout coats & pants
30286	10/21/2021	Witman Enterprises, LLC	5,852.80	Ambulance billing - Sept 2021
30235	10/7/2021	East Bay Tire Company	5,285.43	Replacement Tires Unit 463 - 6 Tires
	10/21/2021	West Coast Code Consultants	5,130.00	In-House Plan Review - Sept 2021
30303	10/28/2021	Sequoia Ecological Consulting, Inc.	4,404.47	Pinehurst Fuel Break - CalFire \$200k
30275	10/21/2021	Gorden Graham	3,695.79	Strike Team Reimburse - Dixie Fire 9/20-10/10/21
30284	10/21/2021	West Coast Code Consultants	3,675.00	Fire Insp. Scheduling - Sept 2021
30255	10/14/2021	EAN Services, LLC	3,461.94	Rental cars - Lambert/Rogness - Strike Team
	10/21/2021	Stryker Sales Corporation	2,975.60	LP1 5 Modem Upgrade
30283	10/21/2021	USAA Insurance Company	2,629.00	RE: UV6308453 - Overpayment Refund - Ambulance billing 1/5/21
30230	10/7/2021	American Fidelity Assurance	2,504.95	Flex/FSA
30271	10/21/2021	Contra Costa Door	2,275.00	Stn 41 - Repair Sectional Door
30261	10/14/2021	Pacific Gas & Electric	2,226.03	Gas & Electric Stn 45 9/3-10/4/21
	10/14/2021	Hunt & Sons, Inc.	2,207.44	Fuel Stn 45 9/30/21
30294	10/28/2021	East Bay Tire Company	2,059.71	Replacement Tires Unit 460
30240	10/7/2021	Keenan & Associates	2,018.67	VSP/Life/Supp Life - October
30282	10/21/2021	Tint, Inc Window Tinting	1,700.00	Chevron decals for units 469, 417
30265	10/14/2021	Wells Fargo Bank	1,500.00	Trustee Fee 10/4/21-10/4/2022 Account No 18368100 POB
30291	10/28/2021	California Compression	1,411.23	Stn 43 Air compressor service
30227	10/7/2021	ADP, Inc.	1,325.90	Payroll Service 8/31 & 9/15
	10/14/2021	Hunt & Sons, Inc.	1,316.94	Fuel Stn 44 9/30/21
30231	10/7/2021	American Fidelity	1,312.40	Supplemental Life
	10/21/2021	A T and T Mobility	1,287.07	Mobile Service - Acct 287291512913 - 9/3-10/2/21
30257	10/14/2021	Hunt & Sons, Inc.	1,137.35	Fuel Stn 41 9/30/21
	10/21/2021	Pacific Gas & Electric	1,125.96	Gas & Electric 9/7-10/5/21 Stn 42 Acct4546708321-3
30276	10/21/2021	Hunt & Sons, Inc.	1,083.67	Fuel - Stn 42 10/6/21
30246	10/7/2021	Sequoia Ecological Consulting, Inc.	1,032.50	Lien-Funded Weed Abatement - 231 Rheem
30236	10/7/2021	EBMUD	954.84	Water Service Stn 43 7/30-9/29/21
	10/21/2021	Hunt & Sons, Inc.	936.19	Fuel Stn 43 10/6/21
	10/21/2021	Pacific Gas & Electric	924.31	Gas & Electric - Stn 44 Acct 1046316238-7 9/3-10/4/21
30273	10/21/2021	Dell Financial Services	851.90	Computer Lease
30247	10/7/2021	Staples Business Credit	827.79	Household supplies 9/2-9/17/21
30239	10/7/2021	HdL Coren & Cone	795.00	2020-21 ACFR Statistical Package for financial report
	10/21/2021	Pacific Gas & Electric	767.01	Gas & Electric - Stn 41 Acct9338447691-2 9/7-10/5/21
30301	10/28/2021	Pacific Gas & Electric	762.62	Gas & Electric Stn 43 9/17-10/17/21
30298	10/28/2021	Hunt & Sons, Inc.	750.94	Fuel Stn 41 10.14.21
30268	10/21/2021	A T and T Mobility	717.93	Mobile service - Acct # 287291512571 9/3-10/3/21
30245	10/7/2021	Gloriann Sasser	703.62	Desk for home office
	10/14/2021	L.N. Curtis & Sons	672.22	Hydration Packs
	10/14/2021	Republic Services	634.16	Trash Service Stn 45 - October
30299	10/28/2021	David Mazaika	600.00	College Education class Reimbursement - Spring 2021
	10/14/2021	Republic Services	593.33	Trash Service - Stn 41 and 42 - October
	10/14/2021	EBMUD	588.22	Water Service Stn 43 8/3-10/1/21
	10/14/2021	L.N. Curtis & Sons	489.76	Bowl Forestry Rocker Lug/Lug coupling set
	10/28/2021	Office Depot	474.64	Office Supplies
10553253	10/29/2021	Bandwidth.com, Inc.	452.95	VOIP services
30281	10/21/2021	Stryker Sales Corporation	451.15	Carry Bag
	10/21/2021	West Coast Code Consultants	423.34	Senior Fire Inspector - Sept 2021
30278	10/21/2021	Dennis Rein	363.00	Strike Team Reimburse - Chaparral Fire 829-9/2
	10/28/2021	Jared Costanza	350.00	Phenix Custom Leather Helmet
30306	10/28/2021	Steve Rogness	335.40	Strike Team Reimburse - Dixie fire 10.5 to 10.20.21
30241	10/7/2021	L.N. Curtis & Sons	334.74	Dual Certified Pants
30274	10/21/2021	EBMUD	329.30	Water Service Acct #31807600001 8/12-10/11/21
30304	10/28/2021	Shred-it	323.40	Shredding service
30228	10/7/2021	Air Exchange Inc.	310.00	Fittings

Check Register - October 2021

50 - General Fund

Check Number	Check Date	Name	Check Amount	Transaction Description
30279	10/21/2021	Steve Rogness	304.44	Strike Team Reimburse - Dixie Fire 9/10-9/25
30254	10/14/2021	EBMUD	300.92	Water Service Stn 43 7/30-9/29/21
	10/14/2021	Airgas USA, LLC	270.90	Oxygen
30277	10/21/2021	Pacific Gas & Electric	268.83	Gas & Electric - Admin Acct 9213137928-8 9/7-10/5/21
30267	10/21/2021	A T and T	251.85	Monthly Service 9/12-10/11/21
30292	10/28/2021	Stephen Cooke	250.00	Paramedic Recertification
30293	10/28/2021	Jared Costanza	242.88	Flat Tire on Medic 45 - replace tire
30248	10/7/2021	Verizon Wireless	228.06	Wireless 8/24-9/23/21
30263	10/14/2021	TIAA Commercial Finance, Inc.	224.28	Copier lease
	10/14/2021	EBMUD	193.05	Water Service Stn 44 8/3-10/1/21
	10/14/2021	L.N. Curtis & Sons	181.09	Mako Breathing support analysis
	10/14/2021	L.N. Curtis & Sons	181.09	Ranger breathing support analysis
30253	10/14/2021	A T and T	173.80	Phone Service 9/1-9/30/21
8694714902139	10/22/2021	US Bank Voyager Fleet Systems	172.69	Strike Team - Gas - 8/25-9/24/21
30243	10/7/2021	Pitney Bowes	171.06	Postage Machine Lease
30259	10/14/2021	L.N. Curtis & Sons	158.96	Black LED Streamlight for E341
	10/7/2021	ALSCO - American Linen Divison	157.58	Monthly Linen service Stn 41 Sept
30244	10/7/2021	Dennis Rein	151.94	Strike Team Reimbursement - South Incident 8/27-8/29/21
30234	10/7/2021	Department of Toxic Substances Control	150.00	EPA ID Number Verification
30288	10/28/2021	ADT Security Services	147.12	Security Service Admin
	10/21/2021	Dennis Rein	127.00	Strike Team reimburse - Dixie 911-9/25
30295	10/28/2021	Adam Goodyear	122.00	EMT Certification Renewal
	10/14/2021	HomeTeam Pest Defense, LLC	121.90	Monthly pest control Stn 45
30262	10/14/2021	Republic Services	121.53	Trash Service Stn 43 - October
	10/14/2021	Republic Services	121.53	Trash Service - Stn 44 - October
30256	10/14/2021	HomeTeam Pest Defense, LLC	115.00	Monthly Pest Control Stn 43
	10/14/2021	HomeTeam Pest Defense, LLC	115.00	Monthly Pest Control Stn 41
	10/14/2021	HomeTeam Pest Defense, LLC	115.00	Monthly Pest Control Stn 42
30229	10/7/2021	ALSCO - American Linen Divison	112.28	Monthly Linen Service - Stn 42 Sept
774	10/29/2021		108.65	Misc Transactions - October
30251	10/14/2021	Jacob Airola	107.13	Strike Team Reimburse - Caldor - 9/21-9/22
30260	10/14/2021	William Moffett	107.10	PALS Recertification
	10/7/2021	ALSCO - American Linen Divison	105.82	Monthly Linen Service Stn 45 Sept
	10/7/2021	ALSCO - American Linen Divison	100.28	Monthly Linen Service Stn 43 Sept
	10/7/2021	ALSCO - American Linen Divison	100.28	Monthly Linen Service Stn 44 Sept
	10/21/2021	Pacific Gas & Electric	100.10	Gas & Electric - Stn 42 Acct4588374985-0 9/8-10/6/21
	10/28/2021	Pacific Gas & Electric	96.34	Gas & Electric Stn 45 9/16-10/15/21
30285	10/21/2021	David Winnacker	96.00	Strike Team Reimburse - Dixie Fire 10/5-10/14/21
	10/28/2021	Office Depot	93.63	Toner/Envelopes
30233	10/7/2021	Comcast	90.20	Modem Stn 41 9/29-10/28/21
30272	10/21/2021	Comcast	90.20	Modem Stn 44 10/14-11/13/21
	10/28/2021	ADT Security Services	81.30	Security Service Stn 45 11/9-12/8/21
30232	10/7/2021	Biomedical Waste Disposal	79.00	Waste Disposal Stn 41
	10/7/2021	Biomedical Waste Disposal	79.00	Waste Disposal Stn 45
30302	10/28/2021	Thomas Schwedhelm	77.18	Reimburse - gym equipment
	10/14/2021	Airgas USA, LLC	69.90	Helium/Nitrogen
30250	10/14/2021	Airgas USA, LLC	65.70	Argon/Oxygen
30290	10/28/2021	Monina Berestka	65.38	Postage
30305	10/28/2021	Verizon Wireless	56.30	Wireless Service 9/11-10/10/21
30269	10/21/2021	AT&T	53.50	Internet - October - Account 293834673
30300	10/28/2021	Office Depot	31.56	Envelopes
30297	10/28/2021	Grainger, Inc.	12.96	Stud Extender
30258	10/14/2021	Leader Emergency Vehicles	12.02	Fender Gasket Material
30242	10/7/2021	Office Depot	9.42	Batteries
30264	10/14/2021	Verizon Wireless	2.70	Wireless 8/21-9/23
30280	10/21/2021	Thomas Schwedhelm	1.99	Electrical Outlet wall plate

Total 50 - General Fund **768,498.95**

Report Total **768,498.95**

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - General Fund Actual to Budget 21/22
From 7/1/2021 Through 10/31/2021

		Current Period Actual	Budget \$	Budget \$ Variance	Budget Remaining	Prior Year Current Period Actual	Prior Year Change	Prior Year % Change
Total Revenue		<u>25,692,969.47</u>	<u>28,883,156.00</u>	<u>(3,190,186.53)</u>	(11.05)%	<u>21,990,604.14</u>	<u>3,702,365.33</u>	<u>16.84</u>
Total Expenditures		<u>8,701,864.50</u>	<u>28,138,962.00</u>	<u>19,437,097.50</u>	69.08%	<u>8,476,203.16</u>	<u>225,661.34</u>	<u>2.66</u>
Excess of Revenues Over/ (Under) Expenditures		<u>16,991,104.97</u>	<u>744,194.00</u>	<u>16,246,910.97</u>	<u>2,183.16%</u>	<u>13,514,400.98</u>	<u>3,476,703.99</u>	<u>25.73</u>
Other Revenue-Strike Team Recovery	4971	119,177.86	700,000.00	(580,822.14)	(82.97)%	560,834.21	(441,656.35)	(78.75)
Overtime - Strike Team	5016	<u>761,192.80</u>	<u>630,000.00</u>	<u>(131,192.80)</u>	(20.82)%	<u>1,034,371.13</u>	<u>(273,178.33)</u>	<u>(26.41)</u>
Strike Team Revenue Over/ (Under) Expenditures		<u>(642,014.94)</u>	<u>70,000.00</u>	<u>(712,014.94)</u>		<u>(473,536.92)</u>	<u>(168,478.02)</u>	
Revenue								
Taxes								
Property Tax-Current Secured	4010	24,238,114.81	25,467,158.00	(1,229,043.19)	(4.83)%	20,815,635.51	3,422,479.30	16.44
Property Tax-Supplemental	4011	154,882.05	300,000.00	(145,117.95)	(48.37)%	34,038.62	120,843.43	355.02
Property Tax-Unitary	4013	0.00	200,000.00	(200,000.00)	(100.00)%	0.00	0.00	0.00
Property Tax-Curr Unsecured	4020	588,185.16	635,000.00	(46,814.84)	(7.37)%	0.00	588,185.16	100.00
Prop Tax- Prior Secured	4030	0.00	(60,000.00)	60,000.00	(100.00)%	0.00	0.00	0.00
Prop Tax-Prior Supplement	4031	0.00	(40,000.00)	40,000.00	(100.00)%	0.00	0.00	0.00
Prop Tax Prior Unsecured	4035	<u>11,986.78</u>	<u>(10,000.00)</u>	<u>21,986.78</u>	<u>(219.87)%</u>	<u>0.00</u>	<u>11,986.78</u>	<u>100.00</u>
Total Taxes		24,993,168.80	26,492,158.00	(1,498,989.20)	(5.66)%	20,849,674.13	4,143,494.67	19.87
Use of Money & Property								
Investment Earnings	4181	<u>201.91</u>	<u>35,000.00</u>	<u>(34,798.09)</u>	<u>(99.42)%</u>	<u>0.00</u>	<u>201.91</u>	<u>100.00</u>
Total Use of Money & Property		201.91	35,000.00	(34,798.09)	(99.42)%	0.00	201.91	100.00
Intergovernmental Revenue								
Homeowners Relief Tax	4385	0.00	147,000.00	(147,000.00)	(100.00)%	0.00	0.00	0.00
Misc State Aid/ Grants	4435	0.00	200,000.00	(200,000.00)	(100.00)%	0.00	0.00	0.00
State Mandated Costs Reimbursement	4436	0.00	0.00	0.00	0.00%	11,171.30	(11,171.30)	(100.00)
Intergovernmental Revenue-Federal Grants	4437	0.00	0.00	0.00	0.00%	78,246.35	(78,246.35)	(100.00)
Other/In Lieu of Taxes	4580	0.00	900.00	(900.00)	(100.00)%	978.21	(978.21)	(100.00)
Measure H-Emerg Med Ser Subsid	4896	<u>0.00</u>	<u>85,248.00</u>	<u>(85,248.00)</u>	<u>(100.00)%</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Intergovernmental Revenue		0.00	433,148.00	(433,148.00)	(100.00)%	90,395.86	(90,395.86)	(100.00)
Charges for Service								
Permits	4740	355.00	4,000.00	(3,645.00)	(91.13)%	1,991.00	(1,636.00)	(82.17)

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - General Fund Actual to Budget 21/22
From 7/1/2021 Through 10/31/2021

		Current			Budget	Prior Year Current		Prior Year
		Period Actual	Budget \$	Budget \$ Variance	Remaining	Period Actual	Prior Year Change	% Change
Plan Review	4741	38,654.50	175,000.00	(136,345.50)	(77.91)%	86,650.00	(47,995.50)	(55.39)
Inspection Fees	4742	10,864.00	2,000.00	8,864.00	443.20%	1,044.00	9,820.00	940.61
Weed Abatement Charges	4744	(1,870.00)	35,000.00	(36,870.00)	(105.34)%	34,560.00	(36,430.00)	(105.41)
Reports/ Photocopies	4746	153.00	350.00	(197.00)	(56.29)%	473.00	(320.00)	(67.65)
Other Charges for Service	4747	<u>2,322.00</u>	<u>1,000.00</u>	<u>1,322.00</u>	<u>132.20%</u>	<u>606.00</u>	<u>1,716.00</u>	<u>283.17</u>
Total Charges for Service		50,478.50	217,350.00	(166,871.50)	(76.78)%	125,324.00	(74,845.50)	(59.72)
Charges for Service - Ambulance								
Ambulance Service Fees	4898	547,063.83	1,122,000.00	(574,936.17)	(51.24)%	363,358.54	183,705.29	50.56
Ambulance Service Fee Reimbursements	4899	0.00	(102,000.00)	102,000.00	(100.00)%	(4,391.35)	4,391.35	(100.00)
Ambulance Collection Recovery Payments	4900	2,342.58	5,000.00	(2,657.42)	(53.15)%	1,161.31	1,181.27	101.72
Ground Emergency Medical Transportation	4901	(22,391.40)	(40,000.00)	17,608.60	(44.02)%	0.00	(22,391.40)	(100.00)
Total Charges for Service - Ambulance		527,015.01	985,000.00	(457,984.99)	(46.50)%	360,128.50	166,886.51	46.34
Other Revenue								
Other Revenue-Strike Team Recovery	4971	119,177.86	700,000.00	(580,822.14)	(82.97)%	560,834.21	(441,656.35)	(78.75)
Other Revenue & Financing Sources	4972	0.00	18,000.00	(18,000.00)	(100.00)%	0.00	0.00	0.00
Other Revenue-Misc.	4974	(6,112.05)	1,000.00	(7,112.05)	(711.21)%	124.20	(6,236.25)	(5,021.14)
Misc Rebates & Refunds	4975	9,039.44	1,000.00	8,039.44	803.94%	2,082.09	6,957.35	334.15
Sale of Surplus Property	4980	0.00	500.00	(500.00)	(100.00)%	1,804.00	(1,804.00)	(100.00)
Transfers In	4999	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>237.15</u>	<u>(237.15)</u>	<u>(100.00)</u>
Total Other Revenue		<u>122,105.25</u>	<u>720,500.00</u>	<u>(598,394.75)</u>	<u>(83.05)%</u>	<u>565,081.65</u>	<u>(442,976.40)</u>	<u>(78.39)</u>
Total Revenue		<u>25,692,969.47</u>	<u>28,883,156.00</u>	<u>(3,190,186.53)</u>	<u>(11.05)%</u>	<u>21,990,604.14</u>	<u>3,702,365.33</u>	<u>16.84</u>

Expenditures

Salaries & Benefits

Permanent Salaries	5011	3,262,735.28	10,381,499.00	7,118,763.72	68.57%	3,266,662.96	(3,927.68)	(0.12)
Temporary Salaries	5013	40,742.59	97,637.00	56,894.41	58.27%	36,053.28	4,689.31	13.01
Overtime	5014	930,068.62	1,850,000.00	919,931.38	49.73%	692,257.43	237,811.19	34.35
Deferred Compensation	5015	7,368.00	22,704.00	15,336.00	67.55%	7,368.00	0.00	0.00
Overtime - Strike Team	5016	761,192.80	630,000.00	(131,192.80)	(20.82)%	1,034,371.13	(273,178.33)	(26.41)
Contract Services	5018	78,611.72	175,000.00	96,388.28	55.08%	29,069.40	49,542.32	170.43
Worker's Compensation Recovery	5019	(90,704.10)	(80,000.00)	10,704.10	(13.38)%	(34,745.27)	(55,958.83)	161.05
Payroll Taxes -FICA,SUI	5042	76,155.29	196,682.00	120,526.71	61.28%	75,764.85	390.44	0.52
Payroll Processing Fees	5043	4,021.80	23,000.00	18,978.20	82.51%	5,066.00	(1,044.20)	(20.61)
Retirement Contributions	5044	1,767,583.42	5,694,133.00	3,926,549.58	68.96%	1,786,875.07	(19,291.65)	(1.08)
Life/Health Insurance-Permanent Employees	5060	473,215.91	1,535,316.00	1,062,100.09	69.18%	453,509.56	19,706.35	4.35

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - General Fund Actual to Budget 21/22
From 7/1/2021 Through 10/31/2021

		Current			Budget	Prior Year Current		Prior Year
		Period Actual	Budget \$	Budget \$ Variance	Remaining	Period Actual	Prior Year Change	% Change
Employee's-Health Insurance Contribution	5061	(17,405.05)	(228,024.00)	(210,618.95)	92.37%	(45,743.06)	28,338.01	(61.95)
Retiree Health Insurance	5062	391,862.82	1,231,000.00	839,137.18	68.17%	394,195.84	(2,333.02)	(0.59)
Retiree-Health Insurance Contribution	5063	(115,959.81)	(355,000.00)	(239,040.19)	67.34%	(107,075.65)	(8,884.16)	8.30
Unemployment Insurance	5064	0.00	11,000.00	11,000.00	100.00%	0.00	0.00	0.00
Retiree-Health OPEB Contribution	5065	0.00	434,528.00	434,528.00	100.00%	0.00	0.00	0.00
Vision Insurance	5066	5,616.31	20,568.00	14,951.69	72.69%	6,215.68	(599.37)	(9.64)
Pension Rate Stabilization	5067	0.00	2,362,470.00	2,362,470.00	100.00%	0.00	0.00	0.00
Workers' Compensation Insurance	5070	279,681.00	1,113,239.00	833,558.00	74.88%	305,894.00	(26,213.00)	(8.57)
Total Salaries & Benefits		7,854,786.60	25,115,752.00	17,260,965.40	68.73%	7,905,739.22	(50,952.62)	(0.64)
Operating Expense								
Office Supplies	6100	3,144.12	8,400.00	5,255.88	62.57%	3,583.00	(438.88)	(12.25)
Postage	6101	1,603.36	3,000.00	1,396.64	46.55%	1,034.63	568.73	54.97
Books & Periodicals	6102	16.28	2,460.00	2,443.72	99.34%	159.00	(142.72)	(89.76)
Printer Ink Cartridges	6103	1,180.80	2,500.00	1,319.20	52.77%	274.13	906.67	330.74
Telephone/Communication	6110	17,736.85	50,300.00	32,563.15	64.74%	20,962.05	(3,225.20)	(15.39)
Dispatch/Comm Center Services w/ AVL MDT	6111	0.00	194,500.00	194,500.00	100.00%	0.00	0.00	0.00
Utilities- Sewer	6120	0.00	4,600.00	4,600.00	100.00%	0.00	0.00	0.00
Utilities-Garbage	6121	6,236.03	15,400.00	9,163.97	59.51%	5,220.42	1,015.61	19.45
Utilities-PG&E	6122	20,525.65	72,050.00	51,524.35	71.51%	22,634.21	(2,108.56)	(9.32)
Utilities-Water	6123	6,405.58	24,150.00	17,744.42	73.48%	7,205.24	(799.66)	(11.10)
Utilities-Medical Waste	6124	518.85	2,200.00	1,681.15	76.42%	606.82	(87.97)	(14.50)
Small Tools & Instruments	6130	1,347.56	9,500.00	8,152.44	85.82%	4,512.03	(3,164.47)	(70.13)
Minor Equipment/Furniture	6131	1,143.23	1,500.00	356.77	23.78%	0.00	1,143.23	100.00
Computer Equipment & Supplies	6132	0.00	2,000.00	2,000.00	100.00%	159.24	(159.24)	(100.00)
Gas Power Chain Saw/Other Equipmen	6133	1,632.00	6,800.00	5,168.00	76.00%	2,179.53	(547.53)	(25.12)
Fire Trail Grading	6135	8,970.33	25,000.00	16,029.67	64.12%	4,410.71	4,559.62	103.38
Fire Fighting Equipment & Supplies	6137	488.27	55,000.00	54,511.73	99.11%	0.00	488.27	100.00
Fire Fighting Equipment-Hoses & Nozzles	6138	1,251.70	10,000.00	8,748.30	87.48%	0.00	1,251.70	100.00
Fire Fighting Equipment-Class A Foam	6139	6,953.76	10,000.00	3,046.24	30.46%	0.00	6,953.76	100.00
Medical & Lab Supplies	6140	37,765.73	125,000.00	87,234.27	69.79%	50,150.68	(12,384.95)	(24.70)
Food Supplies	6150	0.00	5,500.00	5,500.00	100.00%	53.12	(53.12)	(100.00)
Safety Clothing & Personal Supplies	6160	12,422.75	60,000.00	47,577.25	79.30%	9,454.05	2,968.70	31.40
Non-Safety Clothing & Personal Supplies	6161	0.00	0.00	0.00	0.00%	841.35	(841.35)	(100.00)
Household Expense	6170	3,666.15	19,200.00	15,533.85	80.91%	2,796.47	869.68	31.10
Household Expense-Linen	6171	2,129.90	6,440.00	4,310.10	66.93%	1,873.04	256.86	13.71

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - General Fund Actual to Budget 21/22
From 7/1/2021 Through 10/31/2021

		Current			Budget	Prior Year Current		Prior Year
		Period Actual	Budget \$	Budget \$ Variance	Remaining	Period Actual	Prior Year Change	% Change
Public & Legal Notices	6190	0.00	10,000.00	10,000.00	100.00%	641.56	(641.56)	(100.00)
Dues, Memberships & Professional Fees	6200	2,584.45	22,820.00	20,235.55	88.67%	2,527.50	56.95	2.25
EMT/Paramedic Licensure Fees	6201	729.10	4,000.00	3,270.90	81.77%	1,150.00	(420.90)	(36.60)
Rent & Leases (Equipment)	6250	8,221.05	30,500.00	22,278.95	73.05%	8,851.46	(630.41)	(7.12)
Computer Software & Maintenance	6251	47,594.67	75,850.00	28,255.33	37.25%	36,490.14	11,104.53	30.43
Website Development & Maintenance	6252	5,040.00	5,040.00	0.00	0.00%	4,800.00	240.00	5.00
EPA ID# Verification Fee	6264	150.00	150.00	0.00	0.00%	0.00	150.00	100.00
CCC HazMat Plan (CUPA)	6265	2,977.00	3,650.00	673.00	18.44%	3,615.00	(638.00)	(17.65)
BAAQMD & Environmental Health Fees	6266	382.00	900.00	518.00	57.56%	150.00	232.00	154.67
Air Monitor Maintenance & Replacement	6269	0.00	10,000.00	10,000.00	100.00%	107.22	(107.22)	(100.00)
Maintenance -- Equipment	6270	3,436.04	82,800.00	79,363.96	95.85%	14,937.63	(11,501.59)	(77.00)
Central Garage Repairs	6271	49,337.98	280,000.00	230,662.02	82.38%	82,502.00	(33,164.02)	(40.20)
Central Garage Gasoline & Oil	6272	25,828.39	65,000.00	39,171.61	60.26%	17,724.67	8,103.72	45.72
Central Garage Tires	6273	13,529.59	12,000.00	(1,529.59)	(12.75)%	295.00	13,234.59	4,486.30
Service/Repair Fuel System Dispensers	6274	297.80	2,500.00	2,202.20	88.09%	0.00	297.80	100.00
Aerial Ladder & Pump Testing	6275	0.00	1,000.00	1,000.00	100.00%	0.00	0.00	0.00
Smog Inspections	6276	0.00	500.00	500.00	100.00%	0.00	0.00	0.00
Air Compressor Quarterly Service	6278	0.00	6,000.00	6,000.00	100.00%	0.00	0.00	0.00
Hydro Test SCBA & Oxy Cylinder	6279	2,055.74	30,000.00	27,944.26	93.15%	0.00	2,055.74	100.00
Tank Testing	6280	0.00	1,120.00	1,120.00	100.00%	0.00	0.00	0.00
Maintenance -- Building	6281	11,540.83	98,000.00	86,459.17	88.22%	18,750.38	(7,209.55)	(38.45)
Maintenance -- Grounds	6282	3,251.90	12,400.00	9,148.10	73.78%	6,875.00	(3,623.10)	(52.70)
Meetings & Travel Expenses	6303	0.00	1,500.00	1,500.00	100.00%	68.00	(68.00)	(100.00)
Employee Assistance Program	6309	0.00	9,800.00	9,800.00	100.00%	0.00	0.00	0.00
Medical - Pre-Emp Processing and Annual Exams	6311	0.00	30,000.00	30,000.00	100.00%	1,190.00	(1,190.00)	(100.00)
Ambulance Billing Administration Fees	6312	17,258.18	60,000.00	42,741.82	71.24%	14,483.97	2,774.21	19.15
Outside Attorney Fees	6313	17,801.24	150,000.00	132,198.76	88.13%	17,317.20	484.04	2.80
CCC County Tax Administration Fee	6316	0.00	215,000.00	215,000.00	100.00%	0.00	0.00	0.00
Professional Services	6317	1,196.00	42,500.00	41,304.00	97.19%	8,753.53	(7,557.53)	(86.34)
Professional Services - Labor Negotiator	6318	4,712.00	10,000.00	5,288.00	52.88%	0.00	4,712.00	100.00
Professional Services - Technology	6319	80,683.99	207,480.00	126,796.01	61.11%	48,410.75	32,273.24	66.67
Professional Services - Pre-Employment Investigations	6320	450.00	10,000.00	9,550.00	95.50%	0.00	450.00	100.00
Professional Services - Promotional Exams & Recruitment	6321	0.00	1,000.00	1,000.00	100.00%	0.00	0.00	0.00
Professional Services-OPEB Actuarial Valuation	6322	6,750.00	8,000.00	1,250.00	15.63%	371.00	6,379.00	1,719.41
Exterior Hazard Removal	6323	40,632.50	35,000.00	(5,632.50)	(16.09)%	14,100.00	26,532.50	188.17

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - General Fund Actual to Budget 21/22
From 7/1/2021 Through 10/31/2021

		Current			Budget	Prior Year Current		Prior Year
		Period Actual	Budget \$	Budget \$ Variance	Remaining	Period Actual	Prior Year Change	% Change
Professional Services-Prop Tax Audit & Forecasting	6326	0.00	7,350.00	7,350.00	100.00%	0.00	0.00	0.00
Professional Services	6327	0.00	14,000.00	14,000.00	100.00%	0.00	0.00	0.00
Testing Materials & Training Props	6354	8,423.80	40,000.00	31,576.20	78.94%	3,515.00	4,908.80	139.65
Career Development Classes	6357	1,110.00	25,000.00	23,890.00	95.56%	2,351.50	(1,241.50)	(52.80)
District Sponsored Training & Education Classes	6358	0.00	0.00	0.00	0.00%	425.00	(425.00)	(100.00)
Training & Education Classes-Paramedic & EMT CE	6360	0.00	10,000.00	10,000.00	100.00%	838.00	(838.00)	(100.00)
District Sponsored Training-Mandated	6361	0.00	15,000.00	15,000.00	100.00%	2,135.64	(2,135.64)	(100.00)
Strike Team Supplies	6474	37,785.52	60,000.00	22,214.48	37.02%	22,513.32	15,272.20	67.84
Community Emergency Response Team	6475	169.24	8,000.00	7,830.76	97.88%	253.30	(84.06)	(33.19)
Exercise Supplies/Maint.	6476	4,450.78	13,900.00	9,449.22	67.98%	0.00	4,450.78	100.00
Recognition Supplies	6478	0.00	7,350.00	7,350.00	100.00%	138.45	(138.45)	(100.00)
Other Special Departmental Exp	6479	165,455.72	361,800.00	196,344.28	54.27%	10,374.34	155,081.38	1,494.86
Public Education Supplies	6480	656.90	6,000.00	5,343.10	89.05%	0.00	656.90	100.00
LAFCO	6482	12,637.38	18,000.00	5,362.62	29.79%	14,773.69	(2,136.31)	(14.46)
Emergency Preparedness Expense	6484	7,265.73	11,000.00	3,734.27	33.95%	182.66	7,083.07	3,877.73
Misc. Services & Supplies	6490	1,273.00	10,500.00	9,227.00	87.88%	965.89	307.11	31.80
Fire Chief Contingency	6491	1,238.91	100,000.00	98,761.09	98.76%	10,000.07	(8,761.16)	(87.61)
Property & Liability Insurance	6540	<u>122,767.00</u>	<u>62,000.00</u>	<u>(60,767.00)</u>	<u>(98.01)%</u>	<u>57,646.00</u>	<u>65,121.00</u>	<u>112.97</u>
Total Operating Expense		844,813.33	3,019,910.00	2,175,096.67	72.03%	568,334.59	276,478.74	48.65
Other Expense								
Bank Fees	7510	2,264.57	3,000.00	735.43	24.51%	2,129.35	135.22	6.35
County Tax Collection Fees	7530	<u>0.00</u>	<u>300.00</u>	<u>300.00</u>	<u>100.00%</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Expense		<u>2,264.57</u>	<u>3,300.00</u>	<u>1,035.43</u>	<u>31.38%</u>	<u>2,129.35</u>	<u>135.22</u>	<u>6.35</u>
Total Expenditures		<u>8,701,864.50</u>	<u>28,138,962.00</u>	<u>19,437,097.50</u>	<u>69.08%</u>	<u>8,476,203.16</u>	<u>225,661.34</u>	<u>2.66</u>
Excess of Revenues Over/ (Under) Expenditures		<u>16,991,104.97</u>	<u>744,194.00</u>	<u>16,246,910.97</u>	<u>2,183.16%</u>	<u>13,514,400.98</u>	<u>3,476,703.99</u>	<u>25.73</u>

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - Capital Projects Fund Actual to Budget - 21/22
From 7/1/2021 Through 10/31/2021

		Current Period Actual	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaining - Original
Revenue					
Taxes					
Fire Flow Tax	4066	1,096,800.38	1,095,000.00	1,800.38	0.16%
Total Taxes		1,096,800.38	1,095,000.00	1,800.38	0.16%
Use of Money & Property					
Investment Earnings	4181	0.00	10,000.00	(10,000.00)	(100.00)%
Total Use of Money & Property		0.00	10,000.00	(10,000.00)	(100.00)%
Intergovernmental Revenue					
Intergovernmental Revenue-Fed...	4437	0.00	23,950.00	(23,950.00)	(100.00)%
Total Intergovernmental Revenue		0.00	23,950.00	(23,950.00)	(100.00)%
Charges for Service					
Impact Mitigation Fees	4743	0.00	20,000.00	(20,000.00)	(100.00)%
Total Charges for Service		0.00	20,000.00	(20,000.00)	(100.00)%
Total Revenue		1,096,800.38	1,148,950.00	(52,149.62)	(4.54)%
Expenditures					
Other Expense					
Bank Fees	7510	45.00	200.00	155.00	77.50%
Fire Flow Tax Collection Fees	7531	0.00	14,000.00	14,000.00	100.00%
Fire Fighting Equip-Fixed Asset ...	7701	18,432.51	145,000.00	126,567.49	87.29%
Apparatus/Vehicles-Fixed Asset...	7703	0.00	273,000.00	273,000.00	100.00%
Computer Equip & Software-Fix...	7704	0.00	165,000.00	165,000.00	100.00%
Buildings-Station #41-Fixed Ass...	7705	0.00	20,000.00	20,000.00	100.00%
Buildings-Stations-Fixed Asset ...	7708	0.00	319,500.00	319,500.00	100.00%
Misc. Equipment Expense	7709	0.00	23,950.00	23,950.00	100.00%
Operating Transfers Out	7999	160,794.60	922,448.00	761,653.40	82.57%
Total Other Expense		179,272.11	1,883,098.00	1,703,825.89	90.48%
Total Expenditures		179,272.11	1,883,098.00	1,703,825.89	90.48%
Excess of Revenues Over/ (Under) Ex...		917,528.27	(734,148.00)	1,651,676.27	(224.98)%

Moraga-Orinda Fire District
Statement of Revenues and Expenditures - Debt Service Fund Actual to Budget - 21/22
From 7/1/2021 Through 10/31/2021

		Current Period Actual	Total Budget \$ - Original	Total Budget \$ Variance - Original	Percent Total Budget Remaining - Original
Revenue					
Taxes					
Property Tax-Current Secured	4010	1,730,869.00	1,730,869.00	0.00	0.00%
Total Taxes		1,730,869.00	1,730,869.00	0.00	0.00%
Use of Money & Property					
Investment Earnings	4181	30.80	500.00	(469.20)	(93.84)%
Total Use of Money & Property		30.80	500.00	(469.20)	(93.84)%
Other Revenue					
Transfers In	4999	160,794.60	922,448.00	(761,653.40)	(82.57)%
Total Other Revenue		160,794.60	922,448.00	(761,653.40)	(82.57)%
Total Revenue		1,891,694.40	2,653,817.00	(762,122.60)	(28.72)%
Expenditures					
Other Expense					
Pension Obligation Bond Principal Payment	7900	3,610,000.00	3,610,000.00	0.00	0.00%
Pension Obligation Bond Interest Payment	7901	137,155.50	180,090.00	42,934.50	23.84%
Apparatus Lease Principal Payment	7902	0.00	592,791.00	592,791.00	100.00%
Apparatus Lease Interest Payment	7903	0.00	8,458.00	8,458.00	100.00%
Lease Agreement Station 43 Principal	7906	130,000.00	261,000.00	131,000.00	50.19%
Lease Agreement Station 43 Interest	7907	30,794.60	60,199.00	29,404.40	48.85%
Transfers to Other Funds	7997	201.91	0.00	(201.91)	0.00%
Total Other Expense		3,908,152.01	4,712,538.00	804,385.99	17.07%
Total Expenditures		3,908,152.01	4,712,538.00	804,385.99	17.07%
Excess of Revenues Over/ (Under) Expenditures		(2,016,457.61)	(2,058,721.00)	42,263.39	(2.05)%



Moraga-Orinda Fire District

QUARTERLY INVESTMENT REPORT						
September 30, 2021						
Type of Investment	Financial Institution	Date of Maturity	Par Value/ Original	Market Value	Rate of Interest	Fiscal Year-to-Date
Cash	Contra Costa County	N/A	\$ 788,558	\$ 788,558	0.00%	\$ -
Cash	Citibank	N/A	1,508,839	1,508,839	0.00%	\$ -
Local Agency Investment Fund	Local Agency Investment Fund	N/A	3,872,427	3,871,938	0.24%	\$ 5,158
Money Market	Wells Fargo Government Money Market Fund	N/A	0	0	0.00%	\$ 31
Total			\$ 6,169,824	\$ 6,169,335		\$ 5,189
Average Weighted Yield	0.15%					
Market values obtained from monthly statements issued by Citibank and Wells Fargo Bank						
Sufficient funds exist to meet the District's financial obligations for the next six months using the County of Contra Costa's "Teeter Plan". In 1949, the California Legislature enacted an alteratvie method for the distribution of secured property taxes to local agencies known as the "Teeter Plan". The Teeter Plan is a tax distribution procedure by which secured tax rolls are distributed to the District on the basis of the tax levy, rather than on the basis of actual tax collections. While the County bears the risk of loss on delinquent taxes that go unpaid, it benefits from the penalties associated with these delinquent taxes when they are paid. In turn, the Teeter Plan provides the District with stable cash flow and the elimination of credit risk.						
The September 2021 investments are in accordance with the District adopted investment policy.						
Gloriann Sasser						
Administrative Services Director						



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Gloriann Sasser, Administrative Services Director

DATE: November 17, 2021

SUBJECT: **Item 7.7 – Approval of GASB 75 OPEB Valuation Report Measured as of June 30, 2021**

BACKGROUND

The District provides retiree health insurance benefits to employees. Government Accounting Standards Board Statement No. 75 requires the District to complete an actuarial valuation every two years for the District's other post-employment benefits (OPEB) plan. GovInvest completed a draft valuation report calculating the long-term costs associated with the District's OPEB plan which was presented to the Board on October 20, 2021. No changes to the draft report were directed. The final GASB 75 OPEB Valuation Report as of June 30, 2021 is attached for Board approval (Attachment A.)

The Memorandum of Understanding with Local 1230 provides the District's monthly retiree medical contribution as follows:

- Employees hired prior to April 2014 – Up to \$1,191.87 per month for employee plus 2 or more dependents
- Employees hired April 2014 or after – PEMHCA minimum (currently \$143/month)

The retiree medical and dental contributions are capped at a fixed amount for all labor groups. The benefits caps have been included in the updated OPEB valuation.

At the August 18, 2021 Board meeting, the Board directed use of a discount rate of 6.14% down from 6.25% based on the actuarial recommendation resulting from the most recent long-term, capital market return estimates for asset classes as it pertains to the District's OPEB Plan.

OPEB VALUATION ASSUMPTIONS

The OPEB valuation is based on a number of significant assumptions as follows (page 30):

- Amortization period – 20 year closed period (16 years remaining)
- General inflation – 1.75% annually
- Assumed rate of payroll growth – 3%
- Healthcare trend rates – 6.5% trending down to 4.04%
- Rate of return on assets – 6.14%
- Annually prefund recommended contribution

OPEB VALUATION RESULTS

In 2015 the District established an OPEB trust account. The purpose of the trust account is to accumulate funds for payment of future retiree health insurance obligations. The District has made the annual required contribution every year since FY2015. As a result of the pre-funding and the cap on retiree medical benefits, the District's net OPEB liability has decreased. The balance in the OPEB trust account as of June 30, 2021 is \$2,948,603 (page 3.)

The OPEB valuation measures the net OPEB liability. The net OPEB liability is the total OPEB liability less the OPEB plan fiduciary net position. In other words, the net OPEB liability is the present value of benefits earned to date for both active employees and retirees that are not covered by current plan assets.

The prior actuarial valuation as of June 30, 2020 measured the net OPEB liability at \$14,234,499. As of June 30, 2021, the net OPEB liability is \$11,537,795, a decrease of \$2,696,704 or 19%. The percentage of the plan that is funded increased from 12.32% to 20.35% (page 3).

RECOMMENDATION

- 1) Approve the GASB 75 OPEB Valuation Report measured as of June 30, 2021

ATTACHMENTS

Attachment A – GASB 75 OPEB Valuation Report Measured as of June 30, 2021

Moraga-Orinda Fire District

GASB 75 OPEB Valuation Report Measured as of June 30, 2021 for Disclosures for the Fiscal Year Ending June 30, 2021

October 21, 2021



GovInvest
Insights to your financial future



11750 Atwood Road
Auburn, California 95603
t: (415) 801-5987 f: (415) 358-8500

www.precisionactuarial.com



GovInvest
Insights to your financial future

11750 Atwood Road
Auburn, California 95603
www.precisionactuarial.com
(415) 801-5987

October 21, 2021

Gloriann Sasser
Administrative Services Director
Moraga-Orinda Fire District
1280 Moraga Way
Moraga, California 94556

Re: Moraga-Orinda Fire District Retiree Health Benefits Plan GASB 75 OPEB Valuation Report Measured as of June 30, 2021

Dear Ms. Sasser:

At your request, we completed an actuarial valuation of the retiree health and welfare benefits valued as of June 30, 2021, and measured as of June 30, 2021, for the Moraga-Orinda Fire District. This is a full valuation. Please use the information in this report for your financial statements for the fiscal year ending June 30, 2021. This valuation is based on input from the District and from CalPERS, as well as our understanding of GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" (GASB 75).

We greatly appreciate your business. If you have any questions, please feel free to call us at (415) 801-5987.

Best Regards,

A handwritten signature in blue ink that reads "Roger T. Burton".

Roger T. Burton, FSA, MAAA, FCA



Corporate Solutions for the Modern World
Healthcare • Pension • Valuations • Life & Disability • P&C • Financial Reporting
Risk Management • Reinsurance • M&A • Expert Witness

DUNS: 079861610 CAGE: 7EC83 CA Supplier: 1798304

7.7A

Executive Summary	
Overview	1
Accounting Summary	3
Reconciliation of the Change in the Total OPEB Liability	4
Accounting Information	
Statement of Fiduciary Net Position	5
Statement of Changes to the Fiduciary Net Position	6
Changes in the Net OPEB Liability	7
Development of Deferred Outflows and Inflows of Resources	8
Expense and Deferred Outflows and Inflows	10
Impact on the Statement of Net Position	11
Reconciliation of Expense	12
Sample Journal Entries	13
Amortization of the Net OPEB Liability	15
Actuarially Determined Contribution (ADC)	16
Interest on Liability and Earnings and Investment Gain/Loss	17
Projection of Benefit Payments	18
Projection of Benefit Payments Chart	19
Projection of Contributions	20
Projection of Contributions Charts	21
Projection of Fiduciary Net Position	22
Depletion Date Projection	23
Depletion Date Projection Chart	24
Schedule of Implicit Subsidy Liability	25
Schedule of Deferred Outflows and Inflows of Resources	26
Schedule of Changes in the Total OPEB Liability and Related Ratios	27
Schedule of Changes in the Total OPEB Liability and Related Ratios Chart	28
Schedule of Investment Returns	29
Schedule of Contributions	30
Draft Notes to the Financial Statements	31
Basis of Valuation	
Substantive Plan	37
Participant Summary	38
Participant Summary Charts	39
Actuarial Assumptions	40
Appendix	
About GASB 75	43
Decrement Tables	48

Purpose of the Report

Precision Actuarial prepared this report to meet employer financial accounting requirements under GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” (GASB 75), issued in June 2015, as amended by GASB Statement No. 85. This report includes information with respect to the obligation to provide future retiree health and welfare benefits for the fiscal year ending June 30, 2021.

Valuation Date: June 30, 2021
Measurement Date: June 30, 2021
Report Date: June 30, 2021

Application to Financials

This report provides assets, liabilities, and expenses for use in the District's 2021 financial reports.

The District should use the liabilities, assets, and expense measured as of June 30, 2021, for its financial statements for the year ending June 30, 2021.

The report also provides the actuarially determined contributions (ADCs) for funding purposes for reporting for the fiscal years ending June 30 for 2021, 2022, and 2023. The ADC for the fiscal year ending June 30, 2023 is an estimate and we recommend that the District have a roll-forward report produced for the fiscal year ending June 30, 2022, that updates this estimate.

Changes Since the Prior Valuation

This valuation is a full valuation. We updated:

- Census
- Premiums
- Healthcare trends
- Discount rate from 6.25% to 6.14%
- Benefit payments
- Contributions
- Assets

Actuarial Certification

Our determinations reflect the provisions and methods prescribed by GASB 75. In preparing this report, we relied on assets, employee census, plan design, premium rates, and administrative fees provided directly or indirectly by the plan sponsor, and demographic assumptions provided by CalPERS. CalPERS' actuaries set the premium rates using community rating. We did not attempt to verify that the community-rated premium rates represent the true cost of claims and administrative fees.

We based the results in this report on this information, along with the actuarial assumptions and methods used herein. In our opinion, the assumptions used represent reasonable expectations of anticipated plan experience. We reviewed the census information for reasonableness, but we did not audit it.

Actuarial computations under GASB 75 fulfill employer accounting and financial reporting requirements. The calculations are consistent with our understanding of GASB 75. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results in our report. Accordingly, additional determinations may be necessary for other purposes, such as judging benefit security at termination.

No third-party recipient of Precision Actuarial's work product should rely solely on Precision Actuarial's work product. Any third-party recipient should engage qualified professionals for advice appropriate to their own needs.

There is no relationship between Precision Actuarial, its owners, subcontractors, or staff; GovInvest; or the Moraga-Orinda Fire District beyond the contractual services that we perform for the Moraga-Orinda Fire District.


On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and that we prepared it in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable "Actuarial Standards of Practice" and "Actuarial Compliance Guidelines" as promulgated by the American Academy of Actuaries.

The undersigneds are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Roger T. Burton, FSA, MAAA, FCA

Chief Actuary



Christian M. Boughner, ASA, MAAA

Senior Consulting Actuary

Executive Summary

Accounting Summary

A summary of the key valuation results follows.

	<i>Prior Report</i>	<i>Current Report</i>
Valuation Date:	June 30, 2019	June 30, 2021
Measurement Date:	June 30, 2020	June 30, 2021
Report Date:	June 30, 2020	June 30, 2021
Present Value of Future Benefits		
Active Employees	\$ 7,556,557	\$ 7,112,714
Retirees	+ 11,516,710	10,235,274
Total Present Value of Future Benefits	= 19,073,267	17,347,988
Total Present Value of Future Normal Costs	- 2,839,095	2,861,590
Total OPEB Liability (TOL)	= \$ 16,234,172	\$ 14,486,398
OPEB Liability		
Active Employees	\$ 4,717,462	\$ 4,251,124
Retirees	+ 11,516,710	10,235,274
Total OPEB Liability (TOL)	= 16,234,172	14,486,398
Fiduciary Net Position (FNP)	- 1,999,673	2,948,603
Net OPEB Liability (NOL)	= \$ 14,234,499	\$ 11,537,795
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.32%	20.35%
Covered-Employee Payroll	\$ 9,212,842	\$ 10,381,499
Net OPEB Liability as a Percentage of Covered-Employee Payroll	154.51%	111.14%
Measurement Period:	2019-2020	2020-2021
Reporting Period:	2019-2020	2020-2021
Expense	\$ 1,232,457	\$ 645,166
Actuarially Determined Contribution (ADC)*	1,586,650	1,579,380

Net Position Chart (NOL not shown if zero or negative)



*The Actuarially Determined Contribution includes the implicit subsidy. It is not the amount that the District contributes directly to the fund. See page 16 for the District's direct contribution.

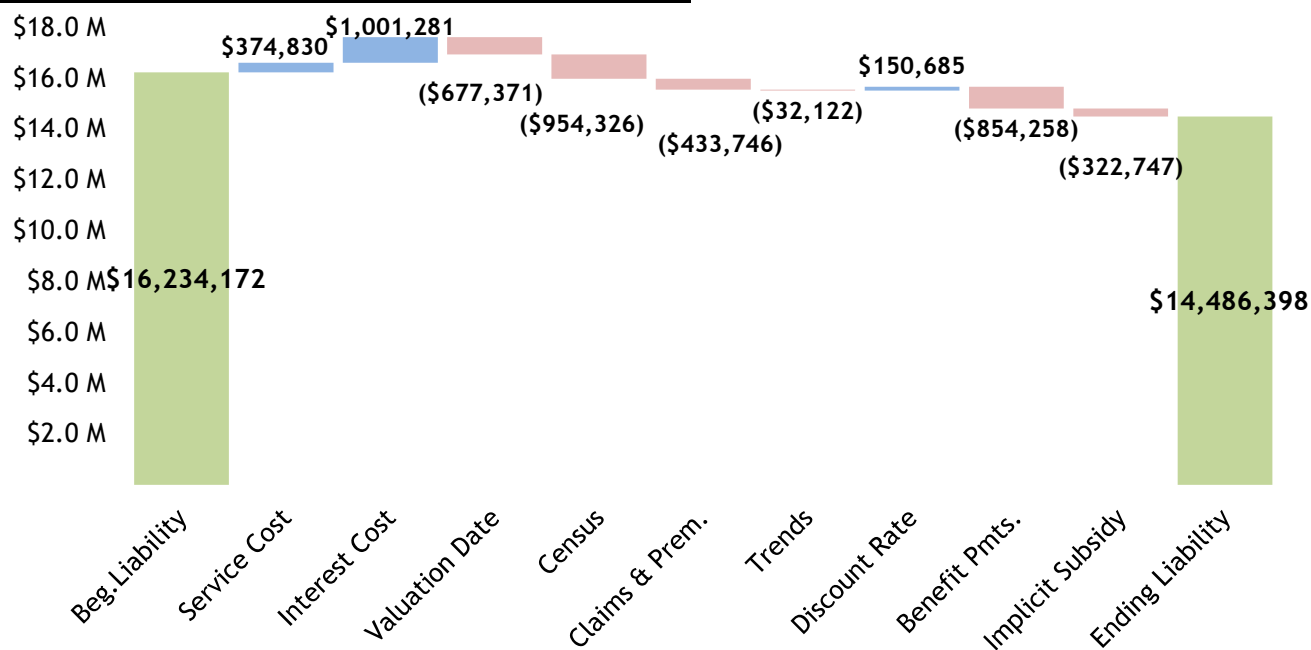
Executive Summary

Reconciliation of the Change in the Total OPEB Liability

A reconciliation of the changes to the Total OPEB Liability since the prior valuation report follow.

Total OPEB Liability as of Measurement Date June 30, 2020 / Report Date June 30, 2020	\$ 16,234,172
Service Cost	374,830
Interest Cost	1,001,281
Differences Between Expected and Actual Experience	
<i>Change in Valuation Date</i>	(677,371)
<i>Change in Census</i>	(954,326)
<i>Change in Claims and Premiums</i>	(433,746)
Total Differences Between Expected and Actual Experience	(2,065,443)
Changes of Assumptions	
<i>Change in Healthcare Trends</i>	(32,122)
<i>Change in Discount Rate from 6.25% to 6.14%</i>	150,685
Total Changes of Assumptions	118,563
Benefit Payments	(854,258)
Implicit Subsidy Credit	(322,747)
Total OPEB Liability as of Measurement Date June 30, 2021 / Report Date June 30, 2021	\$ 14,486,398

Reconciliation of the Change in the Total OPEB Liability



Accounting Information

Statement of Fiduciary Net Position

Measurement Date: June 30, 2021

Report Date: June 30, 2021

Assets

Cash and Deposits	\$	-
Securities Lending Cash Collateral		-
Total Cash		-
Receivables:		
Contributions		-
Due from Broker for Investments Sold		-
Investment Income (Interest on Investments)		-
Other		-
Total Receivables		-
Investments:		
Domestic Fixed Income Securities		-
Domestic Equities		-
Investment Funds		2,948,603
International Equities		-
Real Estate		-
Total Investments		<u>2,948,603</u>
Total Assets	\$	<u>2,948,603</u>

Liabilities

Payables:		
Investment Management Fees	\$	-
Due to Broker for Investments Purchased		-
Collateral Payable for Securities Lending		-
Other		-
Total Liabilities	\$	-

Net Position Restricted for Postemployment Benefits Other than Pensions \$ 2,948,603

Accounting Information

Statement of Changes to the Fiduciary Net Position

	<i>Prior Report</i>	<i>Current Report</i>
Measurement Date:	June 30, 2020	June 30, 2021
Report Date:	June 30, 2020	June 30, 2021
Additions		
Investment Income:		
Net Appreciation in the Fair Value of Investments	\$ 91,213	\$ 630,935
Interest and Dividends	-	-
Less Investment Expense, Other than from Securities Lending	-	-
Net Income from Investing, Other than from Securities Lending	91,213	630,935
Securities Lending Income	-	-
Less Securities Lending Expense	-	-
Net Income from Securities Lending	-	-
Other Income/(Expense)	-	-
Net Investment Income (a)	91,213	630,935
Contributions:		
Employer – District's Contribution	1,433,424	1,185,891
Employer – Implicit Subsidy	298,745	322,747
Total Contributions (b)	1,732,169	1,508,638
Total Additions (c) = (a) + (b)	1,823,382	2,139,573
Deductions		
Benefit Payments	874,316	854,258
Implicit Subsidy Credit	298,745	322,747
Administrative Expense	8,986	13,638
Total Deductions (d)	1,182,047	1,190,643
Net Increase in Net Position = (c) – (d)	641,335	948,930
Net Position Restricted for Postemployment Benefits Other than Pensions		
Beginning of Year	1,358,338	1,999,673
Net Increase in Net Position	641,335	948,930
End of Year	\$ 1,999,673	\$ 2,948,603

Accounting Information

Changes in the Net OPEB Liability

The funded status of the Plan as of the fiscal year-end, as well as other required disclosure information, follows.

	<i>Increase / (Decrease)</i>		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c) = (a) – (b)
Balance as of:			
Measurement Date June 30, 2020 /			
Report Date June 30, 2020	<u>\$ 16,234,172</u>	<u>\$ 1,999,673</u>	<u>\$ 14,234,499</u>
Changes for the year:			
Service Cost	374,830		374,830
Interest	1,001,281		1,001,281
Changes of Benefit Terms	-		-
Differences Between Expected and Actual Experience	(1,388,072)		(1,388,072)
Changes of Assumptions	(558,808)		(558,808)
Net Investment Income		630,935	(630,935)
Contributions			
Employer – District's Contribution		1,185,891	(1,185,891)
Employer – Implicit Subsidy		322,747	(322,747)
Benefit Payments	(854,258)	(854,258)	-
Implicit Subsidy Credit	(322,747)	(322,747)	-
Administrative Expense		(13,638)	13,638
Other Changes	-	-	-
Net Changes	<u>(1,747,774)</u>	<u>948,930</u>	<u>(2,696,704)</u>
Balance as of:			
Measurement Date June 30, 2021 /			
Report Date June 30, 2021	<u>\$ 14,486,398</u>	<u>\$ 2,948,603</u>	<u>\$ 11,537,795</u>

Accounting Information

Development of Deferred Outflows and Inflows of Resources

Balances as of Measurement Date June 30, 2021 / Report Date June 30, 2021

Deferred Outflows and Inflows of Resources Arising from Differences Between Expected and Actual Experience

Measurement Date – June 30:	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in Expense Through Measurement Date June 30, 2021 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2017	\$ -	\$ -	\$ -	\$ -	\$ -
2018	238,065	-	223,536	14,529	-
2019	-	(274,383)	(197,874)	-	(76,509)
2020	14,954	-	7,122	7,832	-
2021	-	(1,388,072)	(315,471)	-	(1,072,601)
Total				\$ 22,361	\$ (1,149,110)

Deferred Outflows and Inflows of Resources Arising from Changes in Assumptions

Measurement Date – June 30:	Increase in Total Liability (a)	Decrease in Total Liability (b)	Amounts Recognized in Expense Through Measurement Date June 30, 2021 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2017	\$ -	\$ -	\$ -	\$ -	\$ -
2018	-	-	-	-	-
2019	-	(23,351)	(16,680)	-	(6,671)
2020	-	(188,887)	(89,948)	-	(98,939)
2021	-	(558,808)	(127,002)	-	(431,806)
Total				\$ -	\$ (537,416)

Accounting Information

Development of Deferred Outflows and Inflows of Resources

Balances as of Measurement Date June 30, 2021 / Report Date June 30, 2021

Deferred Outflows and Inflows of Resources Arising from Differences Between Projected and Actual Earnings on Investments

Measurement Date – June 30:	Investment Earnings Less Than Projected (a)	Investment Earnings Greater Than Projected (b)	Amounts Recognized in Expense Through Measurement Date June 30, 2021 (c)	Deferred Outflows of Resources (d) = (a) – (c)	Deferred Inflows of Resources (e) = (b) – (c)	Net (f) = (d) + (e)
2017	\$ -	\$ (17,334)	\$ (17,334)	\$ -	\$ -	
2018	34,101	-	27,284	6,817	-	
2019	24,423	-	14,655	9,768	-	
2020	10,874	-	4,350	6,524	-	
2021	-	(469,322)	(93,865)	-	(375,457)	
Total				\$ 23,109	\$ (375,457)	\$ (352,348)

Accounting Information

Expense and Deferred Outflows and Inflows

	Measurement Period:	2020-2021
	Reporting Period:	2020-2021
Expense		
Service Cost	\$	374,830
Interest on Total OPEB Liability		1,001,281
Changes of Benefit Terms		-
Recognized Differences Between Expected and Actual Experience		(321,984)
Recognized Changes of Assumptions		(177,536)
Projected Earnings on OPEB Plan Investments		(161,613)
Recognized Differences Between Projected and Actual Earnings		(83,450)
Administrative Expense		13,638
Other Miscellaneous (Income)/Expense		-
Total Expense	\$	645,166

	Report Year Ending June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 22,361	\$ (1,149,110)
Changes of Assumptions	-	(537,416)
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(352,348)
Contributions Subsequent to the Measurement Date	-	-
Total	\$ 22,361	\$ (2,038,874)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Report Year Ending June 30:	Amount
	2022	\$ (620,863)
	2023	(582,355)
	2024	(542,445)
	2025	(270,850)
	2026	-
	Remaining	-

Accounting Information

Impact on the Statement of Net Position

Impact on the Statement of Net Position

	Measurement Date: Report Date:	June 30, 2020 June 30, 2020	June 30, 2021 June 30, 2021	Change During Period
Total OPEB Liability	\$	16,234,172	\$ 14,486,398	\$ (1,747,774)
Fiduciary Net Position		1,999,673	2,948,603	948,930
Net OPEB Liability / (Asset)		<u>14,234,499</u>	<u>11,537,795</u>	<u>\$ (2,696,704)</u>
Deferred (Outflows) / Inflows Due To:				
Differences between Expected and Actual Experience		60,661	1,126,749	1,066,088
Changes of Assumptions		156,144	537,416	381,272
Differences between Projected and Actual Investment Earnings (Contributions Subsequent to the Measurement Date)		(33,524)	352,348	385,872
Net Deferred (Outflows) / Inflows		<u>183,281</u>	<u>2,016,513</u>	<u>1,833,232</u>
Impact on the Statement of Net Position		<u><u>14,417,780</u></u>	<u><u>13,554,308</u></u>	<u><u>(863,472)</u></u>

Change in Net Position During Fiscal Year

	Measurement Date: Report Date:	June 30, 2021 June 30, 2021
Impact on the Statement of Net Position, Fiscal Year Ending June 30, 2020		14,417,780
OPEB Expense / (Income) (Employer Contributions During Fiscal Year)		645,166 <u>(1,508,638)</u>
Impact on the Statement of Net Position for the Fiscal Year Ending June 30, 2021		<u><u>13,554,308</u></u>

OPEB Expense

	Measurement Date: Report Date:	June 30, 2021 June 30, 2021
Deterioration / (Improvement) in Net Position		(863,472)
Employer Contributions During the Fiscal Year		<u>1,508,638</u>
OPEB Expense / (Income) for the Fiscal Year Ending June 30, 2021		<u><u>645,166</u></u>

Accounting Information

Reconciliation of Expense

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Deferred (Inflows)	Deferred Outflows	Net Investment (Inflows)/ Outflows	Net Deferrals	Net OPEB Liability plus Net Deferrals	Annual Expense
Balance as of: Measurement Date June 30, 2020 / Report Date June 30, 2020	\$ (16,234,172)	\$ 1,999,673	\$ (14,234,499)	\$ (298,611)	\$ 81,806	\$ 33,524	\$ (183,281)	\$ (14,417,780)	
Service Cost	(374,830)		(374,830)						\$ 374,830
Interest on Total OPEB Liability	(1,001,281)		(1,001,281)						1,001,281
Effect of Changes of Benefit Terms	-		-						-
Effect of Liability Gains or Losses	1,388,072		1,388,072	(1,388,072)	-		(1,388,072)		
Effect of Assumption Changes or Inputs	558,808		558,808	(558,808)	-		(558,808)		
Expected Investment Income (Net of Investment Expenses)		161,613	161,613						(161,613)
Investment Gains or Losses on Expected Return		469,322	469,322				(469,322)		
Contributions									
Employer – District's Contribution		1,185,891	1,185,891					1,185,891	
Employer – Implicit Subsidy		322,747	322,747					322,747	
Benefit Payments	854,258	(854,258)	-						
Implicit Subsidy Credit	322,747	(322,747)	-						
Administrative Expenses		(13,638)	(13,638)						13,638
Other Income/(Expense)		-	-						-
Recognition of Liability Gains or Losses				381,429	(59,445)		321,984		(321,984)
Recognition of Assumption Changes or Inputs				177,536	-		177,536		(177,536)
Recognition of Investment Gains or Losses						83,450	83,450		(83,450)
Contributions Subsequent to the Measurement Date									
Annual Expense								(645,166)	\$ 645,166
Balance as of: Measurement Date June 30, 2021 / Report Date June 30, 2021	\$ (14,486,398)	\$ 2,948,603	\$ (11,537,795)	\$ (1,686,526)	\$ 22,361	\$ (352,348)	\$ (2,016,513)	\$ (13,554,308)	

Accounting Information

Sample Journal Entries

Suggested Journal Entries for the Report Year ending June 30, 2021

Beginning Balance	Debit (Outflow)	Credit (Inflow)
Net OPEB Liability/Asset	\$ -	\$ 14,234,499
Differences between Expected and Actual Experience	81,806	142,467
Changes of Assumptions	-	156,144
Differences between Projected and Actual Investment Earnings	33,524	-
Contributions Subsequent to the Measurement Date	-	-
Impact on Statement of Net Position	-	14,417,780
Ending Balance	Debit (Outflow)	Credit (Inflow)
Net OPEB Liability/Asset	\$ -	\$ 11,537,795
Differences between Expected and Actual Experience	22,361	1,149,110
Changes of Assumptions	-	537,416
Differences between Projected and Actual Investment Earnings	-	352,348
Contributions Subsequent to the Measurement Date	-	-
Impact on Statement of Net Position	-	13,554,308
OPEB-Expense Journal Entries	Debit	Credit
Net OPEB Liability/Asset	\$ 2,696,704	\$ -
Differences between Expected and Actual Experience	Deferred Outflows Deferred Inflows	- - 59,445 1,006,643
Changes of Assumptions	Deferred Outflows Deferred Inflows	- - 381,272
Differences between Projected and Actual Investment Earnings	Deferred Outflows Deferred Inflows	- - 33,524 352,348
Contributions Subsequent to the Measurement Date	Deferred Outflows	- -
Change in Net OPEB Liability/Asset from Contributions	-	-
OPEB Expense/Credit	-	863,472
Total	2,696,704	2,696,704
Change to the Impact on the Statement of Net Position	863,472	-

Accounting Information

Sample Journal Entries

Suggested Journal Entries for the Report Year ending June 30, 2021

Journal Entries – Deferred Outflows

	Debit	Credit
Net OPEB Liability/Asset	\$ -	\$ -
Contributions Subsequent to the Measurement Date: Fiscal Year 2019-2020	-	-
Contributions Subsequent to the Measurement Date: Fiscal Year 2020-2021	-	-
Contributions Expense	-	-

Journal Entries – Benefits Paid Outside of the Trust¹

	Debit	Credit
OPEB Expense	\$ 854,258	\$ -
Employer Contributions for Retiree Benefits During the Fiscal Year	-	854,258

Journal Entries – Implicit Subsidy²

	Debit	Credit
OPEB Expense	\$ 322,747	\$ -
Premium Expense During the Fiscal Year	-	322,747

¹ The entries here assume that when cash is used to pay benefits, that the trust does not reimburse, an account called "Employer Contributions for Retiree Benefits During the Fiscal Year" was debited (increased). These entries reassign the benefit payments to the OPEB Expense. If the OPEB Expense account was originally debited, then these entries are unnecessary.

² These entries assume that when premiums are paid for active employees, an account called "Premium Expense During the Fiscal Year" is debited (increased). This entry reverses the portion of the premium payments that represent implicit subsidies, recorded as a retiree liability, and assigns that value to the OPEB Expense.

Accounting Information

Amortization of the Net OPEB Liability

A summary of the information used to establish the amortization amount for the current year and the following year, with respect to the Net OPEB Liability, follows. We recalculate the amortization each fiscal year. If the Net OPEB Liability is negative, it is an asset and it is not amortized.

The District is amortizing the Net OPEB Liability using a level-percent-of-pay method on a closed basis. Remaining years of amortization as of the report date of June 30, 2021:

15

	Measurement Period:	2021-2022	2022-2023	<i>Estimated</i> 2023-2024
	Report Date (June 30):	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total OPEB Liability	\$	14,486,398	\$ 14,648,325	\$ 14,810,488
Fiduciary Net Position	-	<u>2,948,603</u>	<u>3,115,344</u>	<u>4,788,413</u>
Net OPEB Liability	= \$	<u>11,537,795</u>	<u>11,532,981</u>	<u>10,022,075</u>

All values measured at the beginning of the measurement period.

Amortization Type		Closed	Closed	Closed
Interest Rate Used to Determine Amortization		6.14%	6.14%	6.14%
Assumed Rate of Payroll Growth		3.000%	3.000%	3.000%
Amortization Period		15 years	14 years	13 years
Amount Recognized, Beginning of Year	\$	941,186	\$ 994,050	\$ 917,334

It is the policy of the District not to allow negative amortizations.

Accounting Information

Actuarially Determined Contribution (ADC)

The calculation of the Actuarially Determined Contribution (ADC) follows. The ADC is based on the District's funding policy. The ADC is calculated as of the middle of the year.

	Measurement Period:	2021-2022	2022-2023	<i>Estimated</i> 2023-2024
	Report Date (June 30):	<u>2022</u>	<u>2023</u>	<u>2024</u>
Service Cost		\$ 341,584	\$ 351,832	\$ 362,387
Amortization of the Net OPEB Liability		941,186	994,050	917,334
Interest to the End of the Year		<u>78,762</u>	<u>82,637</u>	<u>78,575</u>
Service Cost and Amortization (with Interest)		\$ 1,361,532	\$ 1,428,519	\$ 1,358,296
Service Cost and Amortization (with Interest) as a Percentage of Payroll		10.32%	10.51%	9.70%
Discount Rate for ADC Calculation		6.14%	6.14%	6.14%
ADC Components				
District's Contribution to the Trust Fund		\$ 303,906	\$ 350,923	\$ 304,120
Credit for Retiree Benefit Payments Outside of the Trust		774,031	780,642	782,804
Credit for Implicit Subsidy		<u>283,595</u>	<u>296,954</u>	<u>271,372</u>
Total ADC		\$ 1,361,532	\$ 1,428,519	\$ 1,358,296
ADC as a Percentage of Payroll		10.32%	10.51%	9.70%

District's Funding Policy

The District's funding policy is to contribute 100% of the sum of the service cost and amortization (both with interest) each year until the plan is fully funded, and then contribute the greater of the service cost or the total of the benefit payments and the implicit subsidy.

The ADC is the sum of the service cost and the amortization of the net OPEB liability, plus interest to the end of the year. For payment of the ADC, however, it comprises three parts: the benefit payments paid directly by the District and not reimbursed through the Trust Fund, the credit for the implicit subsidy, and the contribution to the Trust Fund. If the total of the service cost and amortization is less than the total of the benefit payments and implicit subsidy, the contribution to the trust fund will be negative and is typically set to zero.

Because actual benefit payments (paid outside of the trust) rarely match the expected benefit payments used to determine the ADC Funding Goal, the District may adjust their contribution at the end of the year such that the total contributed to the Trust Fund, plus the actual benefit payments and the credit for the implicit subsidy, equals the ADC Funding Goal. If not, the difference between expected and actual benefit payments will be recorded as a contribution deficiency or excess.

Accounting Information

Interest on Liability and Earnings and Investment Gain/Loss

For the report year ending June 30, 2021

	Amount for Period (a)	Portion of Period (b)	Interest Rate (c)	Interest on the Total OPEB Liability (d) = (a) × (b) × (c)
Interest on Total OPEB Liability				
Beginning Total OPEB Liability	\$ 16,234,172	100%	6.25%	\$ 1,014,636
Service Cost	374,830	100%	6.25%	23,427
Benefit Payments	(854,258)	50%	6.25%	(26,696)
Implicit Subsidy	(322,747)	50%	6.25%	(10,086)
Total Interest on Total OPEB Liability				<u>\$ 1,001,281</u>

	Amount for Period (a)	Portion of Period (b)	Projected Rate of Return (c)	Projected Earnings (d) = (a) × (b) × (c)
Projected Earnings on Plan Investments				
Beginning Plan Fiduciary Net Position Excluding Receivables	\$ 1,999,673	100%	6.25%	\$ 124,980
Employer Contributions	1,185,891	50%	6.25%	37,059
Benefit Payments from Trust	-	50%	6.25%	-
Administrative Expense	(13,638)	50%	6.25%	(426)
Other Miscellaneous Income/ (Expense)	-	100%	6.25%	-
Total Projected Earnings (Investment Expense)				<u>161,613</u>
Net Projected Earnings				<u>\$ 161,613</u>

	Amount
Investment Gain / Loss	
Net Projected Earnings	\$ 161,613
Actual Net Earnings	- 630,935
Investment (Gain) / Loss	<u>\$ (469,322)</u>

Accounting Information

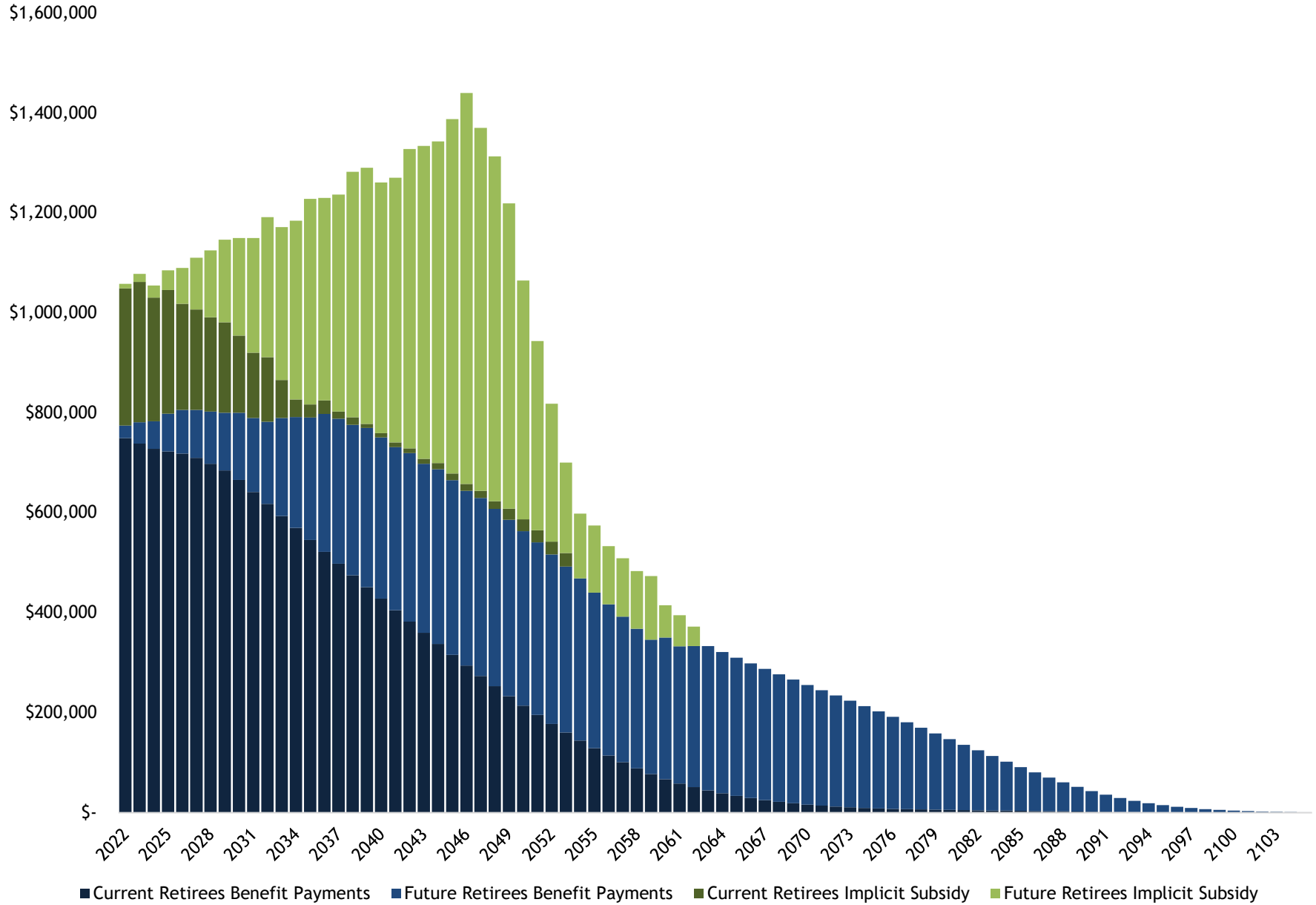
Projection of Benefit Payments

Projected benefit payments for current participants follow. "Future Retirees" are employees currently working, but projected to retire and receive benefits. The projections do not include benefits for employees hired in the future.

Measurement Period Ending	Projected Retiree Benefit Payments			Projected Implicit Subsidy			Grand Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
June 30:							
2022	\$ 748,955	\$ 25,076	\$ 774,031	\$ 274,760	\$ 8,835	\$ 283,595	\$ 1,057,626
2023	738,176	42,466	780,642	280,873	16,081	296,954	1,077,596
2024	727,595	55,209	782,804	247,546	23,826	271,372	1,054,176
2025	722,513	75,427	797,940	247,254	39,615	286,869	1,084,809
2026	718,001	87,395	805,396	212,449	71,772	284,221	1,089,617
2027	709,424	95,919	805,343	201,092	103,425	304,517	1,109,860
2028	697,796	104,595	802,391	188,322	133,757	322,079	1,124,470
2029	684,356	115,255	799,611	181,071	165,338	346,409	1,146,020
2030	665,243	134,781	800,024	154,369	194,812	349,181	1,149,205
2031	641,387	148,109	789,496	130,366	229,704	360,070	1,149,566
2032	617,396	164,559	781,955	129,200	280,171	409,371	1,191,326
2033	593,342	196,161	789,503	75,888	305,779	381,667	1,171,170
2034	569,328	221,816	791,144	35,387	357,348	392,735	1,183,879
2035	545,440	244,932	790,372	26,168	411,046	437,214	1,227,586
2036	521,658	275,660	797,318	27,368	405,166	432,534	1,229,852
2037	497,952	289,871	787,823	14,576	433,880	448,456	1,236,279
2038	474,397	301,113	775,510	15,260	490,955	506,215	1,281,725
2039	450,954	318,403	769,357	8,336	512,158	520,494	1,289,851
2040	427,723	322,635	750,358	8,737	501,473	510,210	1,260,568
2041	404,709	326,422	731,131	9,157	529,900	539,057	1,270,188
2042	381,940	337,253	719,193	9,597	598,581	608,178	1,327,371
2043	359,454	338,281	697,735	10,057	625,711	635,768	1,333,503
2044	337,295	349,333	686,628	12,678	643,145	655,823	1,342,451
2045	315,511	349,372	664,883	13,282	708,979	722,261	1,387,144
2046	294,142	349,283	643,425	13,911	782,268	796,179	1,439,604
2047	273,226	355,902	629,128	14,567	725,938	740,505	1,369,633
↓	↓	↓	↓	↓	↓	↓	↓

Accounting Information

Projected Benefit Payments for Current Participants



Accounting Information

Projection of Contributions

Measurement Period Ending June 30:	Payroll			Projected Employer Contributions*			
	Current Employees	Future Employees	Total	Current Participants	Related to Payroll of Future Employees	Total at 9.70% for 15 Years, Then at 2.75%	Contribution to Trust Fund
	(a)	(b)	(c)	(d) = (f) - (e)	(e) = (b) x 3.86%**	(f) = (c) x 9.70%***	(g) = (f) - Benefits
2022	\$ 13,196,450	\$ -	\$ 13,196,450	\$ 1,361,532	\$ -	\$ 1,361,532	\$ 303,906
2023	12,783,296	809,048	13,592,344	1,397,290	31,229	1,428,519	350,923
2024	12,530,373	1,469,741	14,000,114	1,301,564	56,732	1,358,296	304,120
2025	12,396,208	2,023,909	14,420,117	1,320,628	78,123	1,398,751	313,942
2026	11,947,530	2,905,191	14,852,721	1,328,574	112,140	1,440,714	351,097
2027	11,498,685	3,799,618	15,298,303	1,337,270	146,665	1,483,935	374,075
2028	11,187,024	4,570,228	15,757,252	1,352,042	176,411	1,528,453	403,983
2029	10,899,158	5,330,812	16,229,970	1,368,538	205,769	1,574,307	428,287
2030	10,474,056	6,242,813	16,716,869	1,380,563	240,973	1,621,536	472,331
2031	10,049,491	7,168,884	17,218,375	1,393,463	276,719	1,670,182	520,616
2032	9,697,431	8,037,495	17,734,926	1,410,041	310,247	1,720,288	528,962
2033	9,147,478	9,119,496	18,266,974	1,419,883	352,013	1,771,896	600,726
2034	8,449,706	10,365,277	18,814,983	1,424,953	400,100	1,825,053	641,174
2035	7,610,355	11,769,077	19,379,432	1,425,519	454,286	1,879,805	652,219
2036	6,676,493	13,284,322	19,960,815	1,423,424	512,775	1,936,199	706,347
2037	5,754,158	14,805,481	20,559,639	664,787	571,492	1,236,279	-
2038	5,030,593	16,145,835	21,176,428	658,496	623,229	1,281,725	-
2039	4,448,236	17,363,485	21,811,721	619,620	670,231	1,289,851	-
2040	3,999,794	18,466,279	22,466,073	547,770	712,798	1,260,568	-
2041	3,616,039	19,524,016	23,140,055	516,561	753,627	1,270,188	-
2042	3,272,785	20,561,472	23,834,257	533,698	793,673	1,327,371	-
2043	2,956,795	21,592,490	24,549,285	500,033	833,470	1,333,503	-
2044	2,715,917	22,569,847	25,285,764	471,255	871,196	1,342,451	-
2045	2,456,264	23,588,073	26,044,337	476,644	910,500	1,387,144	-
2046	2,182,013	24,643,654	26,825,667	488,359	951,245	1,439,604	-
2047	1,894,352	25,736,085	27,630,437	376,220	993,413	1,369,633	-
2048	1,630,544	26,828,806	28,459,350	277,293	1,035,592	1,312,885	-
2049	1,409,635	27,903,496	29,313,131	141,593	1,077,075	1,218,668	-
2050	1,215,986	28,976,539	30,192,525	-	1,064,419	1,064,419	-
↓	↓	↓	↓	↓	↓	↓	↓

* The contributions for the first three years are calculated separately. Contributions for subsequent years use the percentages shown.

** The service cost percentage was determined in the prior report.

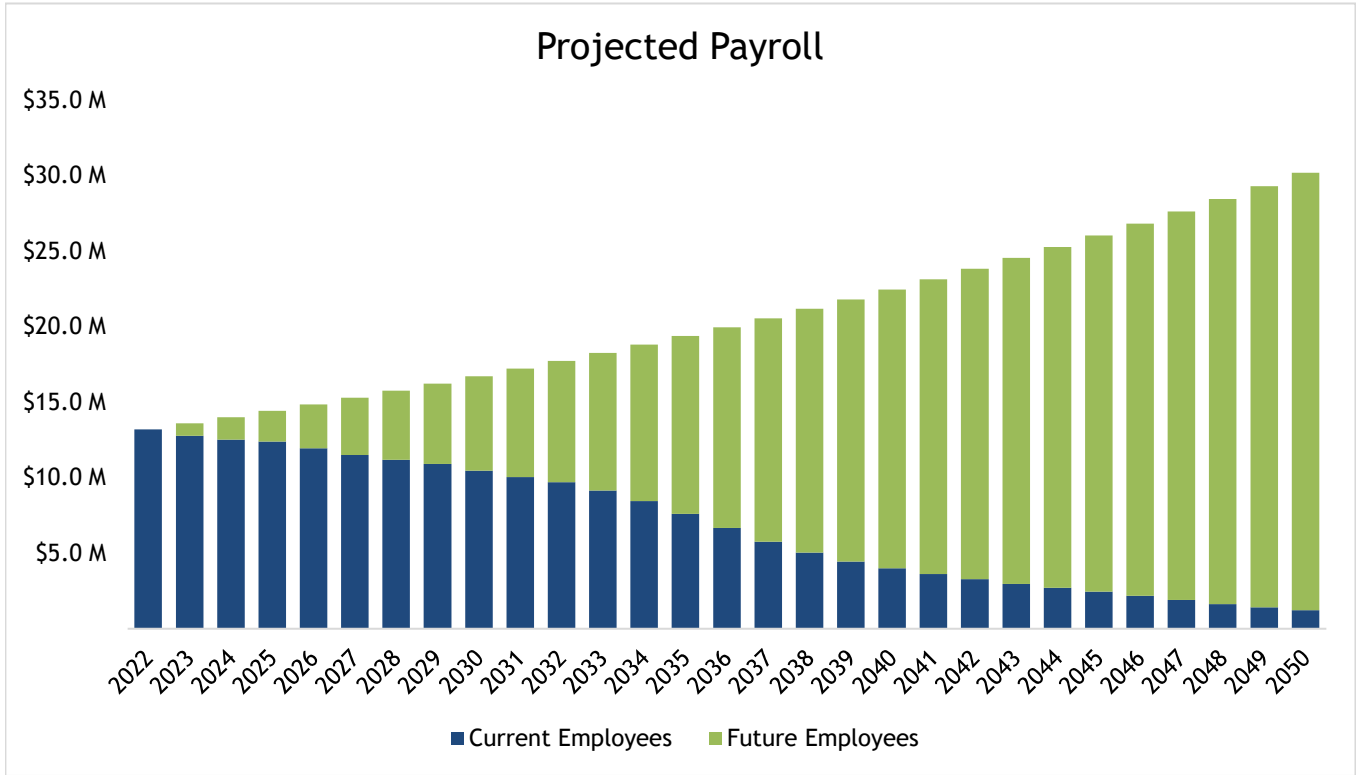
*** If the benefit payments and implicit subsidy is greater, the figure is used instead of the service cost multiplied by the payroll.

**** "BP" = Benefit Payments + Implicit Subsidy Credit

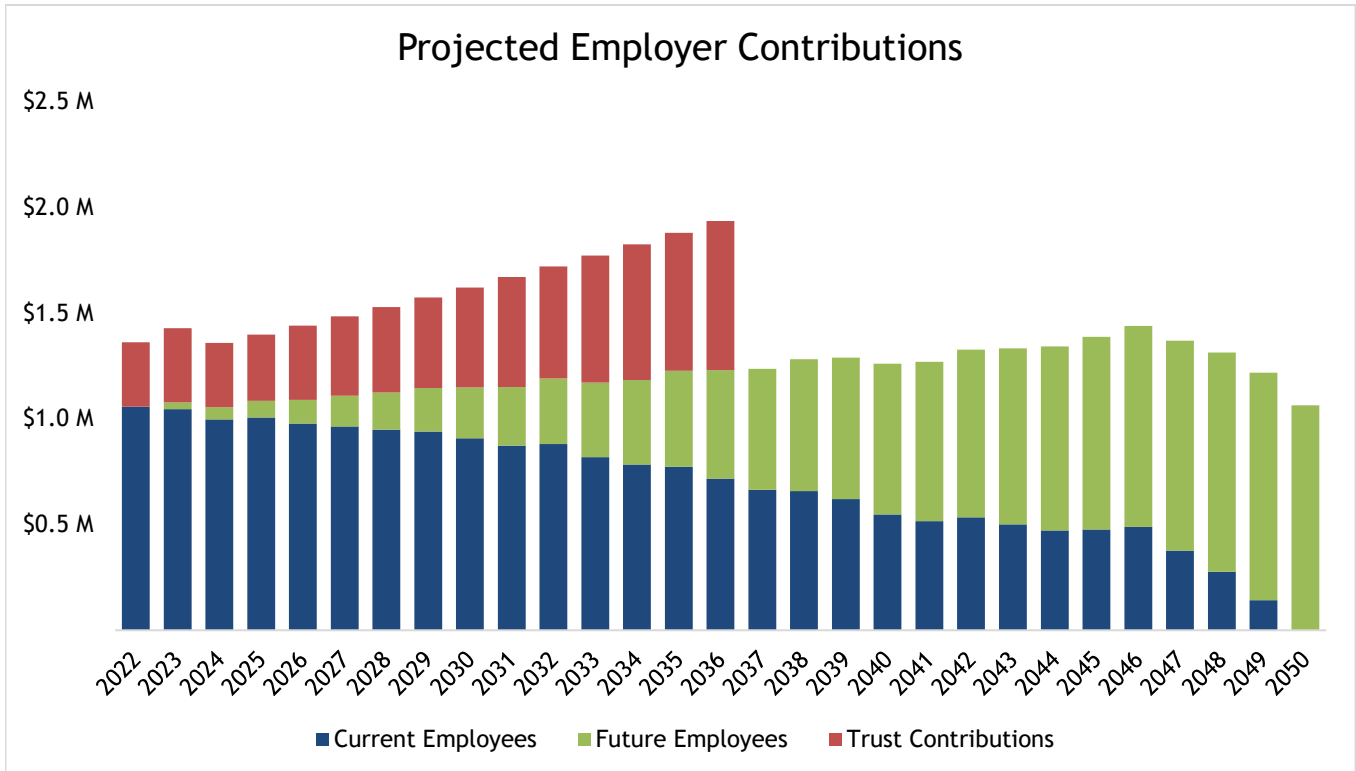
Accounting Information

Projection of Contributions Charts

Projected Payroll for Current and Future Employees



Projected Employer Contributions for Current and Future Plan Participants



Accounting Information

Projection of Fiduciary Net Position

Current Participants Only.

Measurement Period Ending June 30:	Investment Rate of Return (a)	Projected Beginning Fiduciary Net Position (b)	Employer Contributions for Current Participants (c)	Projected Benefit Payments (Including Implicit Subsidy) (d)	Projected Administrative Expense (e)	Projected Investment Earnings (f)	Projected Ending Fiduciary Net Position (g) = Σ [(b) : (f)]
2022	6.14%	\$ 2,948,603	\$ 1,361,532	\$ (1,057,626)	\$ (13,877)	\$ 189,948	\$ 3,428,580
2023	6.14%	3,428,580	1,397,290	(1,077,596)	(14,120)	219,896	3,954,050
2024	6.14%	3,954,050	1,301,564	(1,054,176)	(14,367)	249,932	4,437,003
2025	6.14%	4,437,003	1,320,628	(1,084,809)	(14,618)	279,223	4,937,427
2026	6.14%	4,937,427	1,328,574	(1,089,617)	(14,874)	310,037	5,471,547
2027	6.14%	5,471,547	1,337,270	(1,109,860)	(15,134)	342,470	6,026,293
2028	6.14%	6,026,293	1,352,042	(1,124,470)	(15,399)	376,528	6,614,994
2029	6.14%	6,614,994	1,368,538	(1,146,020)	(15,668)	412,511	7,234,355
2030	6.14%	7,234,355	1,380,563	(1,149,205)	(15,942)	450,803	7,900,574
2031	6.14%	7,900,574	1,393,463	(1,149,566)	(16,221)	492,085	8,620,335
2032	6.14%	8,620,335	1,410,041	(1,191,326)	(16,505)	535,496	9,358,041
2033	6.14%	9,358,041	1,419,883	(1,171,170)	(16,794)	581,704	10,171,664
2034	6.14%	10,171,664	1,424,953	(1,183,879)	(17,088)	631,417	11,027,067
2035	6.14%	11,027,067	1,425,519	(1,227,586)	(17,387)	682,605	11,890,218
2036	6.14%	11,890,218	1,423,424	(1,229,852)	(17,691)	735,459	12,801,558
2037	6.14%	12,801,558	664,787	(1,236,279)	(18,001)	767,918	12,979,983
2038	6.14%	12,979,983	658,496	(1,281,725)	(18,316)	777,276	13,115,714
2039	6.14%	13,115,714	619,620	(1,289,851)	(18,637)	784,157	13,211,003
2040	6.14%	13,211,003	547,770	(1,260,568)	(18,963)	788,691	13,267,933
2041	6.14%	13,267,933	516,561	(1,270,188)	(19,295)	790,922	13,285,933
2042	6.14%	13,285,933	533,698	(1,327,371)	(19,633)	790,788	13,263,415
2043	6.14%	13,263,415	500,033	(1,333,503)	(19,977)	788,173	13,198,141
2044	6.14%	13,198,141	471,255	(1,342,451)	(20,327)	782,996	13,089,614
2045	6.14%	13,089,614	476,644	(1,387,144)	(20,683)	775,115	12,933,546
2046	6.14%	12,933,546	488,359	(1,439,604)	(21,045)	764,270	12,725,526
↓	↓	↓	↓	↓	↓	↓	↓

Accounting Information

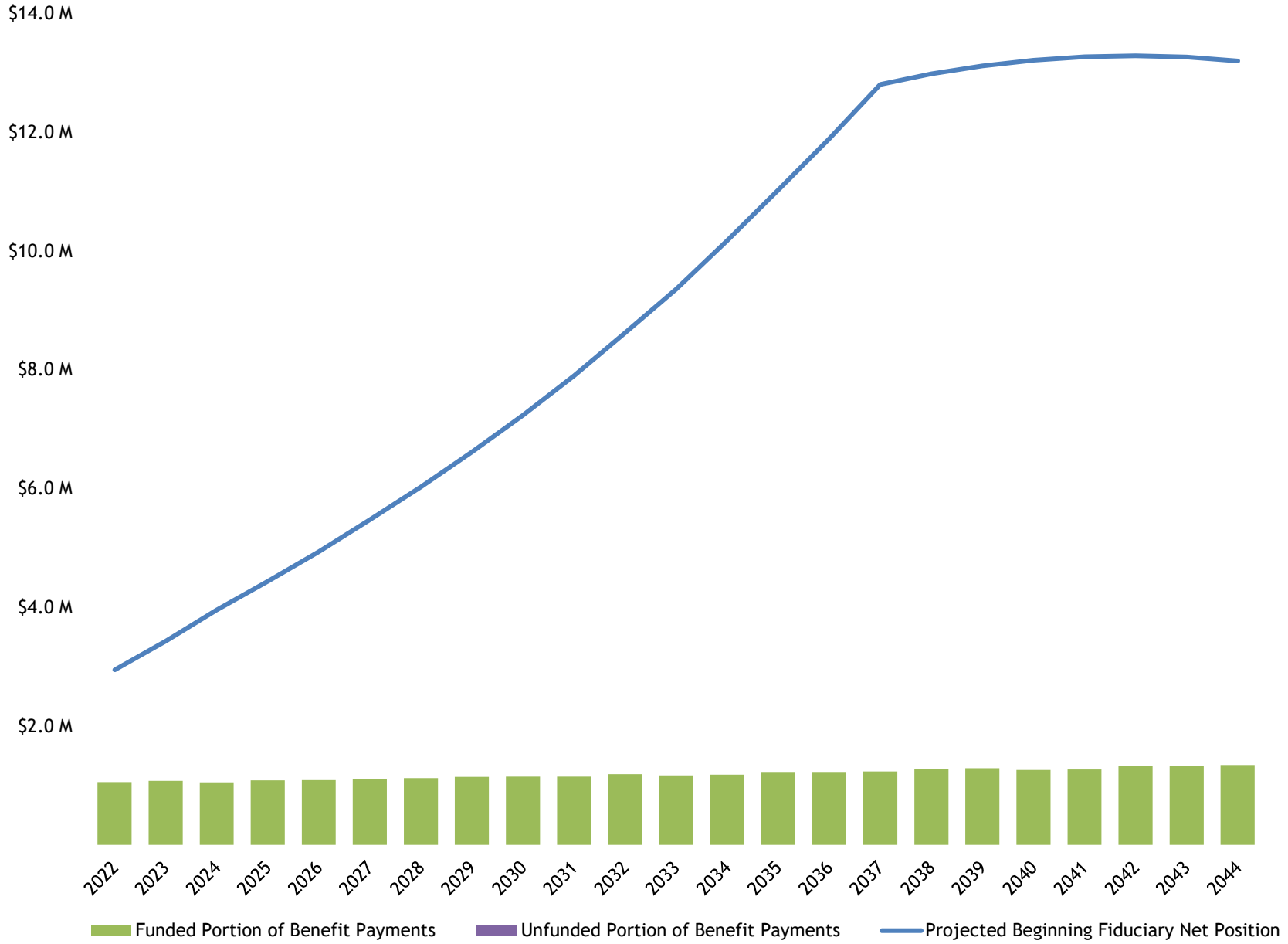
Depletion Date Projection

Current Participants Only

The investment earnings are determined using an investment rate of return of 6.14%.

Measurement Period Ending June 30:	Projected Beginning Fiduciary Net Position	Total Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments at the Investment Rate of Return	Present Value of Unfunded Benefit Payments at 1.92%	Present Value of Benefit Payments at an equivalent Single Discount Rate of 6.14%
2022	\$ 2,948,603	\$ 1,057,626	\$ 1,057,626	\$ -	\$ 1,026,579	\$ -	\$ 1,023,738
2023	3,428,580	1,077,596	1,077,596	-	985,456	-	977,296
2024	3,954,050	1,054,176	1,054,176	-	908,271	-	895,771
2025	4,437,003	1,084,809	1,084,809	-	880,596	-	863,675
2026	4,937,427	1,089,617	1,089,617	-	833,332	-	812,802
2027	5,471,547	1,109,860	1,109,860	-	799,711	-	775,698
2028	6,026,293	1,124,470	1,124,470	-	763,368	-	736,352
2029	6,614,994	1,146,020	1,146,020	-	732,992	-	703,143
2030	7,234,355	1,149,205	1,149,205	-	692,509	-	660,636
2031	7,900,574	1,149,566	1,149,566	-	652,653	-	619,173
2032	8,620,335	1,191,326	1,191,326	-	637,236	-	601,205
2033	9,358,041	1,171,170	1,171,170	-	590,215	-	553,764
2034	10,171,664	1,183,879	1,183,879	-	562,107	-	524,476
2035	11,027,067	1,227,586	1,227,586	-	549,142	-	509,547
2036	11,890,218	1,229,852	1,229,852	-	518,330	-	478,298
2037	12,801,558	1,236,279	1,236,279	-	490,897	-	450,480
2038	12,979,983	1,281,725	1,281,725	-	479,502	-	437,590
2039	13,115,714	1,289,851	1,289,851	-	454,627	-	412,597
2040	13,211,003	1,260,568	1,260,568	-	418,604	-	377,803
2041	13,267,933	1,270,188	1,270,188	-	397,398	-	356,682
2042	13,285,933	1,327,371	1,327,371	-	391,265	-	349,236
2043	13,263,415	1,333,503	1,333,503	-	370,334	-	328,726
2044	13,198,141	1,342,451	1,342,451	-	351,252	-	310,064
↓	↓	↓	↓	↓	↓	↓	↓

Depletion Date Projection



Accounting Information

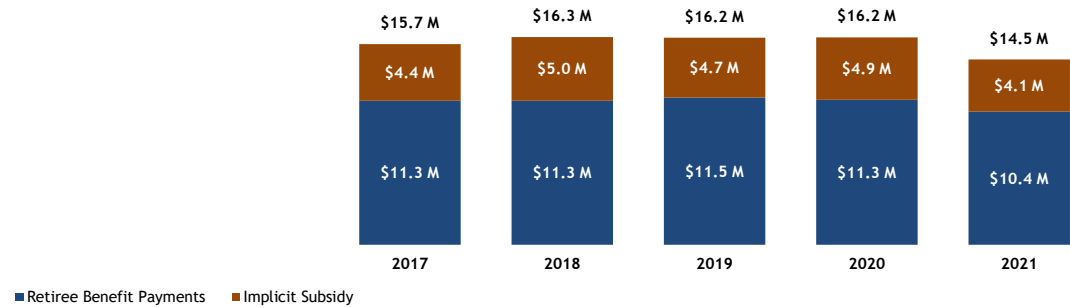
Schedule of Implicit Subsidy Liability

Actuarial standard of practice (ASOP) number 6, "Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions", requires the inclusion of the implicit subsidy in OPEB valuations.

The implicit subsidy arises when an employer allows a retiree and the retiree's dependents to continue on the plans for active employees, and pay the active-employee premiums. Retirees are not paying the true cost of their benefits because they have higher costs than active employees, and therefore are partially subsidized by the active employees. Once a retiree reaches Medicare eligibility, the rates are set for Medicare retirees separately, and are set to be sufficient to cover the true costs of the Medicare retirees. Thus, there is no implicit subsidy for Medicare retirees.

Measurement Date (June 30):	2017	2018	2019	2020	2021
Report Date (June 30):	2017	2018	2019	2020	2021
Retiree Benefit Payments	\$ 11,272,853	\$ 11,270,488	\$ 11,506,077	\$ 11,346,583	\$ 10,412,776
Implicit Subsidy	4,423,197	4,991,025	4,702,898	4,887,589	4,073,622
Total OPEB Liability	\$ 15,696,050	\$ 16,261,513	\$ 16,208,975	\$ 16,234,172	\$ 14,486,398
Discount Rate	6.25%	6.25%	6.25%	6.25%	6.14%

Retiree Benefit Payments and Implicit Subsidy



Accounting Information

Schedule of Deferred Outflows and Inflows of Resources

Schedule of Deferred Outflows and Inflows of Resources

	Measurement Period	Base Amount	Amount Previously Recognized	Recognition Period	Remaining Period	Increase/(Decrease) in Expense: Measurement / Report Years Ending June 30:						Remaining
						2021 2021	2022 2022	2023 2023	2024 2024	2025 2025	2026 2026	
Differences Between Expected and Actual Experience	2016-2017	\$ -	\$ -	4.3	0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2017-2018	238,065	167,652	4.3	1.3	55,884	14,529	-	-	-	-	-
	2018-2019	(274,383)	(131,916)	4.2	2.2	(65,958)	(65,958)	(10,551)	-	-	-	-
	2019-2020	14,954	3,561	4.2	3.2	3,561	3,561	3,561	710	-	-	-
	2020-2021	(1,388,072)	-	4.4	4.4	(315,471)	(315,471)	(315,471)	(315,471)	(126,188)	-	-
Changes of Assumptions	2016-2017	-	-	4.3	0.3	-	-	-	-	-	-	-
	2017-2018	-	-	4.3	1.3	-	-	-	-	-	-	-
	2018-2019	(23,351)	(11,120)	4.2	2.2	(5,560)	(5,560)	(1,111)	-	-	-	-
	2019-2020	(188,887)	(44,974)	4.2	3.2	(44,974)	(44,974)	(44,974)	(8,991)	-	-	-
	2020-2021	(558,808)	-	4.4	4.4	(127,002)	(127,002)	(127,002)	(127,002)	(50,800)	-	-
Differences Between Projected and Actual Earnings	2016-2017	(17,334)	(13,868)	5.0	1.0	(3,466)	-	-	-	-	-	-
	2017-2018	34,101	20,463	5.0	2.0	6,821	6,817	-	-	-	-	-
	2018-2019	24,423	9,770	5.0	3.0	4,885	4,885	4,883	-	-	-	-
	2019-2020	10,874	2,175	5.0	4.0	2,175	2,175	2,175	2,174	-	-	-
	2020-2021	(469,322)	-	5.0	5.0	(93,865)	(93,865)	(93,865)	(93,865)	(93,862)	-	-

Summary of Deferred Outflows and Inflows of Resources

Measurement Period: July 1, 2020 - June 30, 2021

Fiscal Reporting Period: July 1, 2020 - June 30, 2021

	Measurement/Report Years Ending June 30:						Remaining
	2021	2022	2023	2024	2025	2026	Remaining
Differences Between Expected and Actual Experience	\$ (321,984)	\$ (363,339)	\$ (322,461)	\$ (314,761)	\$ (126,188)	\$ -	\$ -
Changes of Assumptions	(177,536)	(177,536)	(173,087)	(135,993)	(50,800)	-	-
Differences Between Projected and Actual Earnings	(83,450)	(79,988)	(86,807)	(91,691)	(93,862)	-	-
Total	\$ (582,970)	\$ (620,863)	\$ (582,355)	\$ (542,445)	\$ (270,850)	\$ -	\$ -

Accounting Information

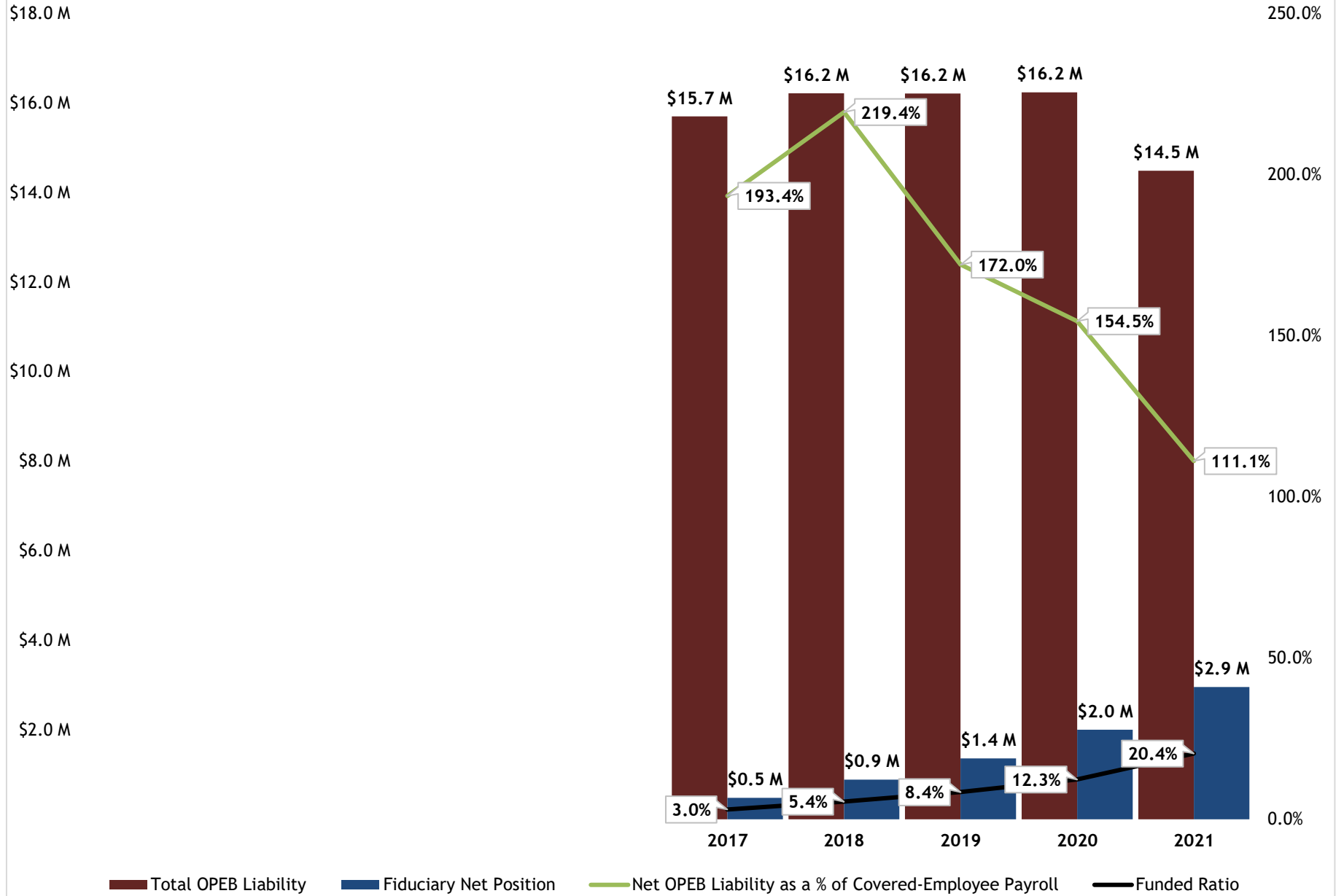
Schedule of Changes in the Total OPEB Liability and Related Ratios

GASB 75 requires a disclosure of the changes in the Net OPEB Liability for the last ten fiscal years, or for as many years as are available.

Measurement Date (June 30):	2017	2018	2019	2020	2021
Report Date (June 30):	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Total OPEB Liability</u>					
Service Cost	\$ 446,425	\$ 459,818	\$ 423,862	\$ 372,506	\$ 374,830
Interest	929,839	946,716	1,027,103	999,685	1,001,281
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	-	238,065	(274,383)	14,954	(1,388,072)
Changes of Assumptions	-	-	(23,351)	(188,887)	(558,808)
Benefit Payments	(827,604)	(821,298)	(871,208)	(874,316)	(854,258)
Implicit Rate Subsidy Credit	(287,686)	(307,499)	(334,561)	(298,745)	(322,747)
Net Change in Total OPEB Liability	<u>260,974</u>	<u>515,802</u>	<u>(52,538)</u>	<u>25,197</u>	<u>(1,747,774)</u>
Total OPEB Liability – Beginning	<u>15,435,076</u>	<u>15,696,050</u>	<u>16,261,513</u>	<u>16,208,975</u>	<u>16,234,172</u>
Total OPEB Liability – Ending (a)	<u>\$ 15,696,050</u>	<u>\$ 16,211,852</u>	<u>\$ 16,208,975</u>	<u>\$ 16,234,172</u>	<u>\$ 14,486,398</u>
<u>Plan Fiduciary Net Position</u>					
Net Investment Income	\$ 41,863	\$ 36,771	\$ 73,071	\$ 91,213	\$ 630,935
Employer – District's Contribution	1,083,604	1,195,298	1,278,941	1,433,424	1,185,891
Employer – Implicit Subsidy	287,686	307,499	334,561	298,745	322,747
Benefit Payments	(827,604)	(821,298)	(871,208)	(874,316)	(854,258)
Implicit Subsidy Credit	(287,686)	(307,499)	(334,561)	(298,745)	(322,747)
Administrative Expense	(1,367)	(1,576)	(4,595)	(8,986)	(13,638)
Other Miscellaneous Income/(Expense)	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>296,496</u>	<u>409,195</u>	<u>476,209</u>	<u>641,335</u>	<u>948,930</u>
Plan Fiduciary Net Position – Beginning	<u>176,437</u>	<u>472,933</u>	<u>882,129</u>	<u>1,358,338</u>	<u>1,999,673</u>
Plan Fiduciary Net Position – Ending (b)	<u>\$ 472,933</u>	<u>\$ 882,128</u>	<u>\$ 1,358,338</u>	<u>\$ 1,999,673</u>	<u>\$ 2,948,603</u>
<u>Net OPEB Liability</u>					
District's Net OPEB Liability – Ending = (a) – (b)	\$ 15,223,117	\$ 15,329,724	\$ 14,850,637	\$ 14,234,499	\$ 11,537,795
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	3.0%	5.4%	8.4%	12.3%	20.4%
Covered-Employee Payroll	\$ 7,872,287	\$ 6,987,356	\$ 8,632,117	\$ 9,212,842	\$ 10,381,499
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	193.4%	219.4%	172.0%	154.5%	111.1%

Notes to schedule: the District adopted GASB 75 for the fiscal year ending June 30, 2017.

Schedule of Changes in the Total OPEB Liability and Related Ratios



Accounting Information

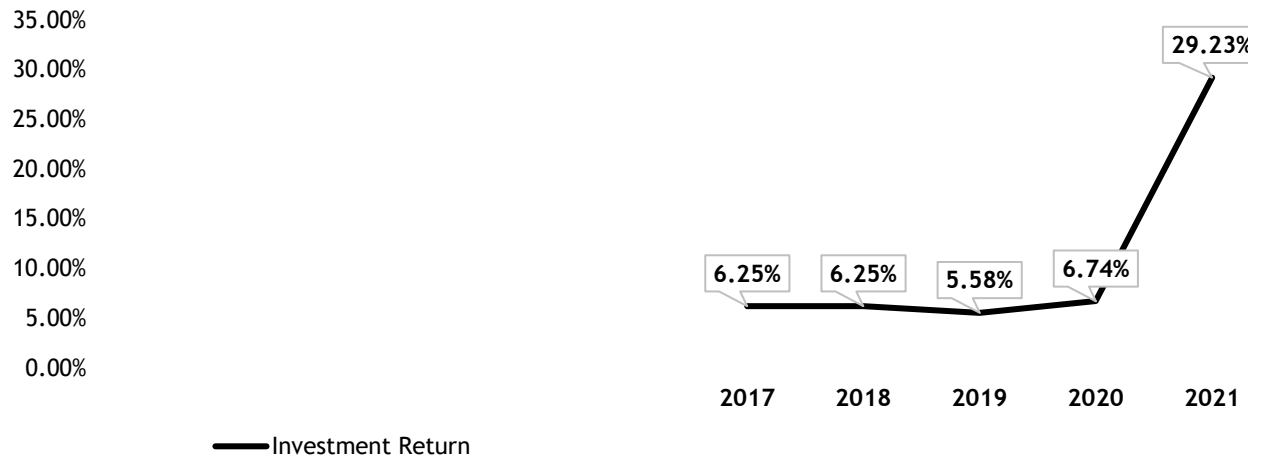
Schedule of Investment Returns

GASB 75 requires a schedule of investment returns for the last ten fiscal years, or for as many years as are available if less than ten years are available.

Measurement Date (June 30):	2017	2018	2019	2020	2021
Report Date (June 30):	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	6.25%	6.25%	5.58%	6.74%	29.23%

The annual money-weighted rate of return, net of investment expenses, is the net investment income for the year divided by the average net position for the year (less investment expenses).

Investment Returns



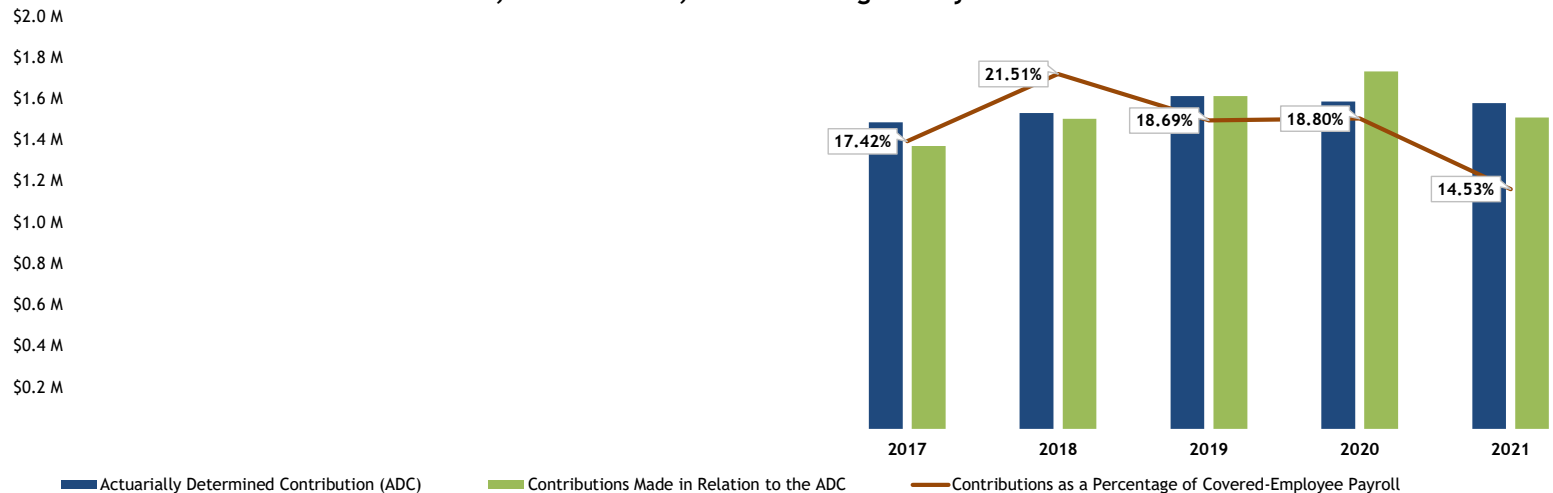
Accounting Information

Schedule of Contributions

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available.

Measurement Period:	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Reporting Period:	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Report Date (June 30):	2017	2018	2019	2020	2021
Actuarially Determined Contribution (ADC)	\$ 1,485,776	\$ 1,530,343	\$ 1,613,502	\$ 1,586,650	\$ 1,579,380
Less: Contributions Made in Relation to the ADC	1,371,290	1,502,797	1,613,502	1,732,169	1,508,638
Contribution Deficiency (Excess)	114,486	27,546	-	(145,519)	70,742
Covered-Employee Payroll	\$ 7,872,287	\$ 6,987,356	\$ 8,632,117	\$ 9,212,842	\$ 10,381,499
Contributions as a Percentage of Covered-Employee Payroll	17.42%	21.51%	18.69%	18.80%	14.53%

ADC, Contributions, and Percentage of Payroll



Notes to Schedule:

Assumptions and Methods

- Actuarial Cost Method: Entry-age normal, level percent of pay
- Amortization Method: Closed period, level percent of pay
- Amortization Period: 20 years
- Inflation: 1.75%
- Assumed Payroll Growth: 3.000%
- Healthcare Trend Rates: 6.50%, trending down to 4.04%
- Rate of Return on Assets: 6.14%
- Mortality Rate: CalPERS Rates. See appendix.
- Retirement Rates: CalPERS Rates. See appendix.

Accounting Information

Draft Notes to the Financial Statements

A draft of the required notes to the District's financial statements, based on the requirements of GASB 75 and our understanding of the District's retiree health plan, follows.

Notes to the Financial Statements for the Year Ended June 30, 2021

Summary of Significant Accounting Policies

Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the District's Retiree Health Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Note X – Other Post-Employment Benefits (OPEB)

Plan Description

The District administers a single-employer defined-benefit post-employment healthcare plan. Benefits vary by hire date, employment status and employment classification. Benefits continue to the surviving spouses.

Benefits Provided

Eligibility for retiree health benefits requires direct retirement from the District under CCCERA. Eligible employees who were hired prior to April 15, 2014 (July 2, 2014 for Battalion Chiefs and July 1, 2014 for unrepresented), receive 100% of medical and dental premiums, subject to the District Cap. The Medical Cap is as follows:

	<u>Unrepresented</u>	<u>All Others</u>
Single	\$575.55	\$458.42
Single + 1	\$1,151.10	\$916.82
Family	\$1,496.11	\$1,191.87

Eligible employees hired after the dates listed above will receive the PEMHCA minimum benefit.

Employees Covered by Benefit Terms

At June 30, 2021 (the census date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Inactive employees, spouses, or beneficiaries currently receiving benefit payments:	149
Inactive employees entitled to but not yet receiving benefit payments:	0
Active employees:	66
Total	215

Accounting Information

Draft Notes to the Financial Statements

Contributions

The District makes contributions based on an actuarially determined rate.

Contribution rate: 9.70% for 15 years,
2.75% thereafter.

Reporting period contributions: \$1,508,638 (Includes implicit subsidy credit.)

Financial Report

The District issues a stand-alone financial report that is available to the public. The report is available at: www.mofd.org/our-district/district-overview/key-district-documents/comprehensiveannual-financial-report

Net OPEB Liability

The District's total OPEB liability was valued as of June 30, 2021, and was used to calculate the net OPEB liability measured as of June 30, 2021.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date:	June 30, 2020	June 30, 2021
Discount Rate	6.25%	6.14%
Investment Rate of Return	6.25%	6.14%
Inflation	1.75%	1.75%
Healthcare Cost Trend Rates		
Pre-Medicare	6.50%	6.50% *
Medicare	5.50%	5.50% *
Salary Increases	3.000%	3.000% **
Mortality Rates	Based on CalPERS tables.	

- Projections of the sharing of benefit-related costs are based on an established pattern of practice.
- Experience studies come from the CalPERS Pension Assumption Model, revised May 14, 2018.
- Inactive employees (retirees) pay the cost of benefits in excess of the District's contribution.
- There were no ad hoc postemployment benefit changes (including ad hoc COLAs) to the plan.

Discount Rate

GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments will be used. Based on this requirement, and with the approval of the plan sponsor, the discount rate used to measure the total OPEB liability is 6.14%.

*Trending down to 4.04% over 56 years. Applies to calendar years.

**Additional merit-based increases based on CalPERS merit salary increase tables.

Accounting Information

Draft Notes to the Financial Statements

Long-Term Expected Real Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by the PARS Investment team and HighMark Capital Management as of June 30, 2021.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compound Expected Return</u>
Equity - Large Cap Core	39.50%	6.80%
Equity - Mid Cap Core	7.50%	7.10%
Equity - Small Cap Core	10.50%	7.90%
Equity - Real Estate	2.00%	6.60%
Equity - International	10.25%	7.30%
Equity - Emerging Markets	5.25%	7.30%
Fixed Income - Short-Term Bonds	3.00%	3.30%
Fixed Income - Intermediate-Term Bonds	16.00%	3.90%
Fixed Income - High Yield	1.00%	6.10%
Cash	5.00%	2.40%
Total/Average	<u>100.00%</u>	
Expected Long-Term Rate of Return		6.64%
Expected Volatility		12.53%
Expected Long-Term Rate of Return, Net of Fees		6.14%

<i>Current Liability</i>	<u>Amount</u>
Current OPEB Liability	\$ 1,026,124
Non-Current OPEB Liability	13,460,274
Total OPEB Liability	<u>\$ 14,486,398</u>

Expected Average Remaining Service Lives (EARSL)

The effects on the total OPEB liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period. The expected average remaining service lives (EARSL) for the current period follows.

EARSL: 4.4 years

Accounting Information

Draft Notes to the Financial Statements

<i>Changes in the Net OPEB Liability</i>	<i>Increase/(Decrease)</i>		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance as of Report Date June 30, 2020	\$ 16,234,172	\$ 1,999,673	\$ 14,234,499
Changes for the Year:			
Service Cost	374,830		374,830
Interest	1,001,281		1,001,281
Changes of Benefit Terms	-		-
Differences Between Expected and Actual Experience	(1,388,072)		(1,388,072)
Changes of Assumptions	(558,808)		(558,808)
Contributions			
Employer – District's Contribution		1,185,891	(1,185,891)
Employer – Implicit Subsidy		322,747	(322,747)
Net Investment Income		630,935	(630,935)
Benefit Payments	(854,258)	(854,258)	-
Implicit Subsidy Credit	(322,747)	(322,747)	-
Administrative Expenses		(13,638)	13,638
Other Miscellaneous Income/(Expense)	-	-	-
Net Changes	(1,747,774)	948,930	(2,696,704)
Balance as of Report Date June 30, 2021	\$ 14,486,398	\$ 2,948,603	\$ 11,537,795

Accounting Information

Draft Notes to the Financial Statements

Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

Sensitivity of the total and net OPEB liability to changes in the discount rate. The total and net OPEB liability of the District, as well as what the District's total and net OPEB liability would be if they were calculated using a discount rate that is one percentage point lower (5.14%) or one percentage point higher (7.14%) follows:

	1% Decrease 5.14%	Discount Rate 6.14%	1% Increase 7.14%
Total OPEB Liability (Asset)	\$ 15,987,696	\$ 14,486,398	\$ 13,207,898
Increase (Decrease)	1,501,298		(1,278,500)
% Change	10.4%		-8.8%
Net OPEB Liability (Asset)	\$ 13,039,093	\$ 11,537,795	\$ 10,259,295
Increase (Decrease)	1,501,298		(1,278,500)
% Change	13.0%		-11.1%

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 6.50% and decreased to 4.04% over 56 years. The total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.50%) or one percentage point higher (7.50%) than current healthcare cost trend rates follows:

	1% Decrease 5.50%	Trend Rate 6.50%	1% Increase 7.50%
Total OPEB Liability (Asset)	\$ 13,984,253	\$ 14,486,398	\$ 15,118,183
Increase (Decrease)	(502,145)		631,785
% Change	-3.5%		4.4%
Net OPEB Liability (Asset)	\$ 11,035,650	\$ 11,537,795	\$ 12,169,580
Increase (Decrease)	(502,145)		631,785
% Change	-4.4%		5.5%

Accounting Information

Draft Notes to the Financial Statements

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the report year ended June 30, 2021, the District recognized an OPEB expense of \$645,166. The District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Actual and Expected Experience	\$ 22,361	\$ (1,149,110)
Changes of Assumptions	-	(537,416)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	(352,348)
Contributions Subsequent to the Measurement Date	-	-
Total	\$ 22,361	\$ (2,038,874)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Report Year Ending June 30:</u>	<u>Amount</u>
2022	\$ (620,863)
2023	(582,355)
2024	(542,445)
2025	(270,850)
2026	-
Remaining	-

Basis of Valuation

Substantive Plan

A summary of the substantive plan used as the basis of the valuation follows.

General Eligibility for Benefits	
General Requirements	Retire directly from District under CCCERA.
Service Retirement:	
Safety Legacy	Age 50 and five years of service.
Safety PEPRA	Age 57 and five years of service.
General Legacy	Age 55 and five years of service.
General PEPRA	Age 67 and five years of service.
Ordinary Disability	Five years of service.
Duty Disability	Immediate eligibility.

Retiree Medical Plan Tiers	
Tier 1	Hired before April 15, 2014: <ul style="list-style-type: none"> • July 2, 2014 for Battalion Chiefs. • July 1, 2014 for unrepresented and Local 2700.
Tier 2	All others.

Benefits Tier 1	
Medical Benefit for Retirees	Monthly premium paid up to the Retiree Medical Benefit Cap.
Medical Benefit for Survivors	Same benefit as retiree.
Dental Benefit for Retirees	Monthly premium paid up to the cap.
Dental Benefit for Survivors	Survivors pay 100% of premium.

Benefits Tier 2	
Medical Benefit for Retirees	PEMHCA minimum – \$143/month for 2021 & \$149/month for 2022. Increased by CalPERS board.
Medical Benefit for Survivors	PEMHCA minimum – \$143/month for 2021 & \$149/month for 2022. Increased by CalPERS board.
Dental Benefit for Retirees	Monthly premium paid up to the cap.
Dental Benefit for Survivors	Survivors pay 100% of premium.

Retiree Medical Caps			
Unrepresented Retirees			
		<u>Medical Cap</u>	<u>Dental Cap</u>
	Single	\$ 575.55	\$ 51.20
	Single +1	1,151.10	90.12
	Family	1,496.11	136.35
Represented Retirees			
		<u>Medical Cap</u>	<u>Dental Cap</u>
	Single	458.42	46.68
	Single +1	916.82	81.00
	Family	1,191.87	116.98

Basis of Valuation

Participant Summary

Census Date: June 30, 2021
Age and service determined as of the census date.

Active Participants											
Age	Years of Service										Total
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
< 25	1										1
25-29	1	3									4
30-34		4	2	1							7
35-39		3	3	10	8						24
40-44	1			4	3						8
45-49		3	1		4	1					9
50-54		2	1	3	2	2					10
55-59		3									3
60-64											
65-69											
70+											
Total	3	18	7	18	17	3					66

Average Active Participant Age: 41.2

Average Years of Service: 10.0

Changes from Prior Census

Active Participants	Count
Prior Census	59
Changes	7
Current Census	66

Inactive Participants	Retiree	Spouse	Total
Prior Census	90	68	158
Changes	1	(10)	(9)
Current Census	91	58	149

Inactive Participants			
Age	Retiree	Spouse	Total
< 50		3	3
50-54	7	3	10
55-59	6	11	17
60-64	14	15	29
65-69	22	6	28
70-74	13	14	27
75-79	9	4	13
80-84	8	2	10
85-89	6		6
90+	6		6
Total	91	58	149

Average Inactive Participant Age: 68.5

Basis of Valuation

Participant Summary Charts

Census Date: June 30, 2021

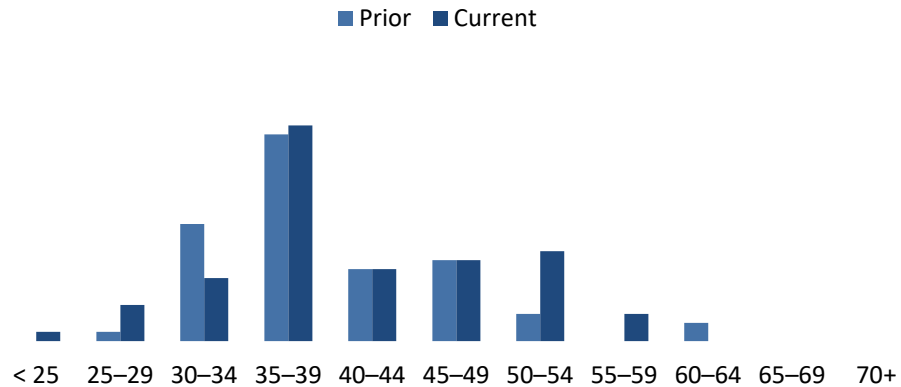
Age and service determined as of the census date.

Average Active Participant Age

Participant Age

Prior Report:	39.9
Current:	41.2
Change:	1.3
% Change:	3.3%

Actives by Age Bracket

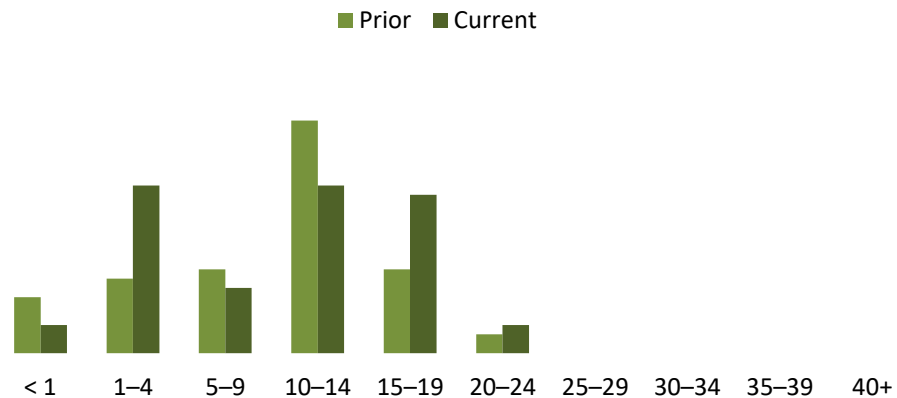


Average Years of Service

Service

Prior Report:	10.1
Current:	10.0
Change:	(0.1)
% Change:	-0.5%

Actives by Years of Service

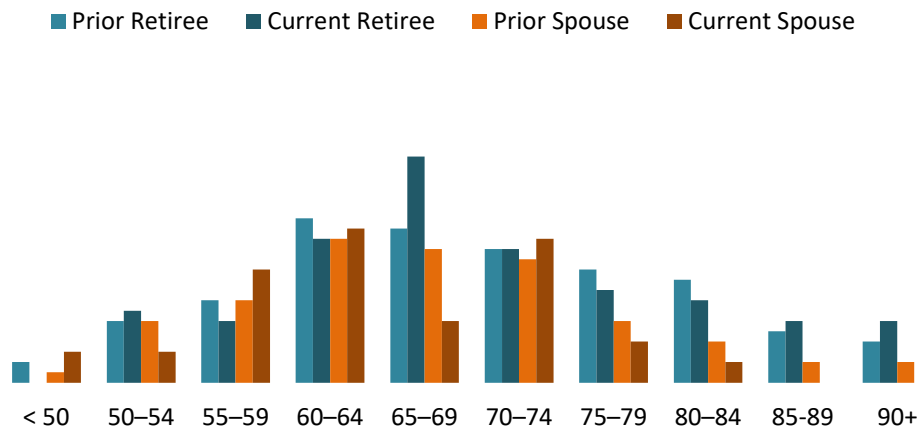


Average Inactive Participant Age

Participant Age

Prior Report:	67.0
Current:	68.5
Change:	1.5
% Change:	2.2%

Inactives by Age Bracket



Basis of Valuation

Actuarial Assumptions

A summary of the actuarial assumptions used for this valuation follows. We considered the reasonableness of each assumption independently based on its own merits, consistent with each other assumption, and the combined impact of all assumptions.

Assumption	Rates
Actuarial Cost Method	Entry-Age Normal, Level Percentage of Salary
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Report Date	June 30, 2021
Discount Rate	GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments will be used. Based on this requirement, and with the approval of the plan sponsor, the discount rate used to measure the total OPEB liability is 6.14%.
Post-Retirement Healthy Mortality	<p>For General Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table, projected generationally with the two-dimensional MP-2018 projection scale.</p> <p>For Safety Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table set back three years, projected generationally with the two-dimensional MP-2018 projection scale.</p>
Post Retirement Disabled Mortality	<p>For General Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table set forward eight years, projected generationally with the two-dimensional MP-2018 projection scale.</p> <p>For Safety Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table set forward three years, projected generationally with the two-dimensional MP-2018 projection scale.</p>
Pre Retirement Mortality	Headcount-Weighted RP-2014 Employee Mortality Table times 75%, projected generationally with the two-dimensional MP-2018 projection scale.

Basis of Valuation

Actuarial Assumptions

Assumption	Rates
Termination Rates	See appendix. Same as Segal 12/31/2015 CCCERA retirement plan valuation.
Disability	See appendix. Same as Segal 12/31/2015 CCCERA retirement plan valuation.
Retirement	See appendix. Same as Segal 12/31/2015 CCCERA retirement plan valuation.
Annual Per Capita Claims	Developed based on CalPERS premiums and CalPERS population data. Assumed

Age	Males	Females
50	\$ 13,012	\$ 13,489
55	14,719	14,193
60-64	17,130	15,893

Average Per Capita Cost for Implicit Subsidy Calculation	Developed based on premiums for the District's enrollment by plan, family demographics from CalPERS plans, and risk scores (both HMO and PPO) for the CalPERS population.						
Aging or Morbidity Factors	Based on actual CalPERS population data.						
Participant Contributions	Based on service at retirement and employee group.						
Salary Increases	3.000% The salary increase is used to determine the growth in the aggregate payroll. Same as Segal 12/31/2015 CCCERA valuation.						
Inflation Rate	1.75%						
Marital Status	Current Retirees: Actual spouse coverage is used. Male future retirees: 75% assumed to be married . Female future retirees: 50% assumed to be married.						
Spouse Gender	Assumes spouse of opposite gender for current and future retirees.						
Spouse Age Difference	Actual spouse age is used for current retirees. Assumes males are 2-3 three years older than females.						
Participation	Current Retirees: Assume current elections continue until decrement. Future Retiree election assumptions summarized below:						
	<table border="1"> <thead> <tr> <th>Condition</th> <th>Participation</th> </tr> </thead> <tbody> <tr> <td>Eligible for Supplemental Benefits</td> <td>95%</td> </tr> <tr> <td>Eligible for PEMHCA Minimum Only</td> <td>50%</td> </tr> </tbody> </table>	Condition	Participation	Eligible for Supplemental Benefits	95%	Eligible for PEMHCA Minimum Only	50%
Condition	Participation						
Eligible for Supplemental Benefits	95%						
Eligible for PEMHCA Minimum Only	50%						

Basis of Valuation

Actuarial Assumptions

Assumption	Rates																																												
Weighted-Average Single Premium	<p>2021 and 2022 premiums were used to develop weighted-average single premiums and aged-based claims for 2021-22</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Grouping</th> <th style="text-align: right;">EE Only</th> <th style="text-align: right;">Two-Party</th> </tr> </thead> <tbody> <tr> <td>Pre-Medicare</td> <td style="text-align: right;">\$ 850.00</td> <td style="text-align: right;">\$ 1,700.00</td> </tr> <tr> <td>Medicare</td> <td style="text-align: right;">341.37</td> <td style="text-align: right;">682.74</td> </tr> </tbody> </table>	Grouping	EE Only	Two-Party	Pre-Medicare	\$ 850.00	\$ 1,700.00	Medicare	341.37	682.74																																			
Grouping	EE Only	Two-Party																																											
Pre-Medicare	\$ 850.00	\$ 1,700.00																																											
Medicare	341.37	682.74																																											
Trend Rates	<p>Medical long-term trends from Society of Actuaries "Long Term Healthcare Cost Trends Model v2020_b" using baseline assumptions. Applied to both claims and premiums.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;">Calendar Year</th> <th style="border-bottom: 1px solid black;">Pre-Medicare Trend</th> <th style="border-bottom: 1px solid black;">Medicare Trend</th> <th style="border-bottom: 1px solid black;">PEMHCA Trend</th> </tr> </thead> <tbody> <tr><td>2021</td><td style="text-align: right;">6.50%</td><td style="text-align: right;">5.50%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2022</td><td style="text-align: right;">6.00%</td><td style="text-align: right;">5.20%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2023</td><td style="text-align: right;">5.50%</td><td style="text-align: right;">5.20%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2024</td><td style="text-align: right;">5.45%</td><td style="text-align: right;">5.20%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2025</td><td style="text-align: right;">5.39%</td><td style="text-align: right;">5.19%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2026</td><td style="text-align: right;">5.34%</td><td style="text-align: right;">5.19%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2027</td><td style="text-align: right;">5.29%</td><td style="text-align: right;">5.19%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2028</td><td style="text-align: right;">5.23%</td><td style="text-align: right;">5.18%</td><td style="text-align: right;">3.00%</td></tr> <tr><td>2029-2076</td><td style="text-align: center;">...</td><td style="text-align: center;">...</td><td style="text-align: center;">...</td></tr> <tr><td>2077+</td><td style="text-align: right;">4.04%</td><td style="text-align: right;">4.04%</td><td style="text-align: right;">3.00%</td></tr> </tbody> </table>	Calendar Year	Pre-Medicare Trend	Medicare Trend	PEMHCA Trend	2021	6.50%	5.50%	3.00%	2022	6.00%	5.20%	3.00%	2023	5.50%	5.20%	3.00%	2024	5.45%	5.20%	3.00%	2025	5.39%	5.19%	3.00%	2026	5.34%	5.19%	3.00%	2027	5.29%	5.19%	3.00%	2028	5.23%	5.18%	3.00%	2029-2076	2077+	4.04%	4.04%	3.00%
Calendar Year	Pre-Medicare Trend	Medicare Trend	PEMHCA Trend																																										
2021	6.50%	5.50%	3.00%																																										
2022	6.00%	5.20%	3.00%																																										
2023	5.50%	5.20%	3.00%																																										
2024	5.45%	5.20%	3.00%																																										
2025	5.39%	5.19%	3.00%																																										
2026	5.34%	5.19%	3.00%																																										
2027	5.29%	5.19%	3.00%																																										
2028	5.23%	5.18%	3.00%																																										
2029-2076																																										
2077+	4.04%	4.04%	3.00%																																										
Benefit Cap Trend	No Change in benefit caps over time.																																												
Annual PEMHCA Amount	\$143/month for 2021 & \$149/month for 2022.																																												
PEMHCA Administrative Fee	0.25% of retiree premiums.																																												

This section includes a brief summary of GASB 75, as well as definitions of some of the key terminology used in this report.

About GASB 75

In General. In June 2015 the Governmental Accounting Standards Board released GASB 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”. GASB 75 replaced GASB 45 for fiscal years beginning after June 15, 2017, for employers that sponsor OPEB plans. The provisions in GASB 75 are similar to the provisions of GASB 68 for pensions.

Accounting. GASB 75 requires a liability known as the Net OPEB Liability (NOL). The employer recognizes the NOL on its balance sheet. The employer also recognizes an OPEB expense in the income statement. GASB 45 recorded the Unfunded Accrued Actuarial Liability (UAAL) in the notes to the financial statement, whereas GASB 75 records the NOL, which is very similar to the UAAL with just a few technical differences, on the balance sheet.

Financial Statement Impact (Employers). One of the biggest changes to the financial statements of governmental employers that provide OPEB is the reporting of the OPEB liability on the face of the statements rather than in the footnotes. Governments that do not provide OPEB through a trust are required to recognize the entire OPEB liability in the financial statements. For governments that provide OPEB through an OPEB plan that is administered through a trust, the government’s OPEB liability is recognized net of the amount of the OPEB plan’s fiduciary net position.

Changes to the Measurement of the Total OPEB Liability. Measurement of the OPEB liability includes discounting future benefit payments for current and former employees and their beneficiaries to their present value and allocating the present value over past and future periods of the employee service (total OPEB liability), less the amount of the OPEB plan’s fiduciary net position. The calculation continues to include employee-related events, such as projected salary increases and projected years of service, if they affect the amount of OPEB payments employees will receive, as well as provisions for automatic cost-of-living adjustments (COLAs) and other automatic benefits. Additionally, ad hoc COLAs and other ad hoc benefit changes, which are made at the discretion of the government, are included in projections as well, if they routinely recur.

GASB 75 requires governments to discount projected OPEB payments to their present value. Under the new standard, governments discount the projected OPEB payments to be made in each year and the amount of plan assets (if a government administers the OPEB through a trust) available for providing those benefits to current active and inactive employees and their beneficiaries. Similar to the pension standards, the discount rate used is based on whether the plan assets are projected to be sufficient to make future payments. If the plan assets are sufficient, governments discount future payments using the long-term expected rate of return. If projected plan assets are insufficient to make all future payments to current and inactive employees and their beneficiaries, or if there are no plan assets held in trust, the discount rate is based on a high-quality 20-year tax-exempt general obligation municipal bond yield or index rate. “High-quality” is defined as being rated AA or higher (or an equivalent rating).

Cost Method. The Entry Age Normal Cost method must be used.

About GASB 75 (continued)

Factors that affect a government's OPEB liability, such as actual earnings on plan investments when the OPEB plan is administered as a trust, employee compensation changes, interest on the outstanding OPEB liability, contributions from employees and employers, and actual demographic and economic changes that are not in line with assumptions made in the actuarial calculations, are considered when determining the government's OPEB expense. A government's annual OPEB expense is calculated with consideration for factors affecting the OPEB liability within the reporting period. Several causes of changes in OPEB liability are immediately factored into the calculation of OPEB expense for the period, such as benefits earned each year, interest on the total OPEB liability, changes in benefit terms, and projected earnings on plan investments, if administered through a trust.

Governments are required to recognize deferred outflows of resources or deferred inflows of resources and then introduce into the expense calculation, systematically and rationally over the average remaining years of employment (active employees and inactive employees, including retirees), the effect on the total OPEB liability of differences between assumptions and actual experience.

Key Terminology

Actuarially Determined Contribution	A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.
Actuarial Present Value of Projected Benefit Payments	Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Agent Employer	An employer whose employees are provided with OPEB through an agent multiple-employer defined-benefit OPEB plan.
Closed Period	A specific number of years that is counted from one date, which declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth until no years remain.
Contributions	Additions to an OPEB plan's fiduciary net position for amounts from employers, non-employer contributing entities, or employees.
Dates and Periods	
• Census Date	The date of the census. It is usually the same as the Valuation Date .
• Measurement Date	The date on which assets are measured. The liabilities are rolled forward to this date from the Valuation Date , should it differ, using actuarial roll-forward techniques.
• Measurement Period	The year ending on the Measurement Date .
• Report Date	The date on which the amounts are reported in the financial statements. It is the same as the fiscal year-end. It may be up to one year ahead of the Measurement Date , with no roll-forward of liabilities or assets required.
• Reporting Period	The year ending on the Report Date . It is the same as the fiscal year.
• Valuation Date	The date on which the liabilities are valued.
Deferred Inflows and Outflows of Resources	The portion of the changes in the Net OPEB Liability that are not recognized in the current pension expense and are recognized in later periods. The changes deferred include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on OPEB plan investments.

Key Terminology (continued)

Defined-Benefit OPEB	OPEB for which the benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The OPEB may be stated as (a) a specified dollar amount (b) an amount that is calculated based on one or more factors such as age, years of service, and compensation, or (c) a type or level of coverage such as prescription drug coverage or a percentage of health insurance premiums. OPEB that does not have all of the terms of defined contribution OPEB is classified as defined-benefit OPEB.
Discount Rate	The single rate of return that reflects the following: a. The long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return. b. A yield or index rate for 20-year, tax-exempt general-obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions in (a) are not met.
Fiduciary Net Position	The market value of assets as of the Measurement Date .
Implicit Subsidy	The implicit subsidy arises when an employer allows a retiree and the retiree's dependents to continue on the plans for active employees, and pay the active-employee premiums. Retirees are not paying the true cost of their benefits because they have higher costs than active employees, and therefore are partially subsidized by the active employees. Once a retiree reaches Medicare eligibility, the rates are set for Medicare retirees separately, and are set to be sufficient to cover the true costs of the Medicare retirees. Thus, there is no implicit subsidy for Medicare retirees.
Net OPEB Liability	The Total OPEB Liability minus the Fiduciary Net Position .
Normal Cost	See Service Cost .
Other Postemployment Benefits (OPEB)	Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payment for sick leave.
Projected Benefit Payments	All benefits estimated to be payable through OPEB plan to current active and inactive employees as a result of their past service and their expected future service.

Key Terminology (continued)

Service Cost	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years. Also called Normal Cost .
Substantive Plan	The plan terms as understood by the employer and the plan members at the time of the valuation, including only changes to plan terms that have been made and communicated to employees.
Total OPEB Liability	The liability of employers and non-employer contributing entities to employees for benefits provided through a defined-benefit OPEB plan that is administered through a trust that meets the criteria in paragraph 4 of GASB 75.

Appendix

Decrement Tables

The valuation used the following decrement tables. For the SOA MP-2018 Improvement Scale, please go to <https://www.soa.org/resources/experience-studies/2018/mortality-improvement-scale-mp-2018/>.

Active Mortality

Miscellaneous Employees
Fire Employees

Source Table

SOA General RPH-2014 with Scale MP-2018
SOA Safety RPH-2014 with Scale MP-2018, 3-Year Set Back

Inactive Mortality

Retirement
Safety – Service Retirement
Spouse
Safety – Surviving Spouse
Retirement
Safety – Disability Retirement

SOA General RPH-2014 with Scale MP-2018
SOA Safety RPH-2014 with Scale MP-2018, 3-Year Set Back
SOA General RPH-2014 with Scale MP-2018
SOA General RPH-2014 with Scale MP-2018
SOA General RPH-2014 with Scale MP-2018, 8-Year Set Forward
SOA General RPH-2014 with Scale MP-2018, 3-Year Set Forward

Disability Rates

Tier 1 Employees
Tier A Employees
Tier D Employees

General Tier 1/4 Disability
Safety Disability
Safety Disability

Terminated Refund Rates

Miscellaneous Employees
Fire Employees

General Withdrawal
Safety Withdrawal

Salary Scale Rates

Miscellaneous Employees
Fire Employees

Salary Scale Rates_PA Misc
Salary Scale Rates_PA Fire

Service Retirement Rates

Tier 1
Tier A
Tier D

General – Enhanced
Safety – Enhanced
Safety – PEPR

Appendix

Sample Mortality and Disability Rates

Age	Pre-Retirement Male Assumptions				Pre-Retirement Female Assumptions				Pre-Retirement Male Assumptions				Pre-Retirement Female Assumptions				Public Agency Miscellaneous		
	General	General 8-Year Set Forward	Safety 3-Year Set Forward	Safety 3-Year Setback	General	General 8-Year Set Forward	Safety 3-Year Set Forward	Safety 3-Year Setback	General	General 8-Year Set Forward	Safety 3-Year Set Forward	Safety 3-Year Setback	General	General 8-Year Set Forward	Safety 3-Year Set Forward	Safety 3-Year Setback	General Tier 1/4 Disability	General Tier 3/5 Disability	Safety Disability
1	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
5	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
10	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15	0.00027	0.00027	0.00027	0.00027	0.00015	0.00015	0.00015	0.00015	0.00036	0.00076	0.00059	0.00036	0.00020	0.00023	0.00025	0.00020	0.00000	0.00000	0.00000
20	0.00053	0.00053	0.00053	0.00053	0.00018	0.00018	0.00018	0.00018	0.00071	0.00063	0.00076	0.00052	0.00024	0.00024	0.00023	0.00024	0.00010	0.00010	0.00020
25	0.00052	0.00052	0.00052	0.00052	0.00017	0.00017	0.00017	0.00017	0.00069	0.00066	0.00063	0.00077	0.00023	0.00032	0.00024	0.00024	0.00020	0.00020	0.00220
30	0.00047	0.00047	0.00047	0.00047	0.00019	0.00019	0.00019	0.00019	0.00063	0.00083	0.00066	0.00065	0.00026	0.00049	0.00032	0.00023	0.00040	0.00030	0.00420
35	0.00053	0.00053	0.00053	0.00053	0.00028	0.00028	0.00028	0.00028	0.00071	0.00124	0.00083	0.00064	0.00038	0.00078	0.00049	0.00029	0.00080	0.00050	0.00560
40	0.00072	0.00072	0.00072	0.00072	0.00044	0.00044	0.00044	0.00044	0.00096	0.00204	0.00124	0.00079	0.00059	0.00123	0.00078	0.00044	0.00220	0.00080	0.00660
45	0.00114	0.00114	0.00114	0.00114	0.00071	0.00071	0.00071	0.00071	0.00151	0.00696	0.00204	0.00113	0.00094	0.00440	0.00123	0.00071	0.00360	0.00130	0.01000
50	0.00184	0.00184	0.00184	0.00184	0.00108	0.00108	0.00108	0.00108	0.00626	0.00858	0.00696	0.00185	0.00421	0.00580	0.00440	0.00113	0.00520	0.00160	0.02880
55	0.00272	0.00272	0.00272	0.00272	0.00163	0.00163	0.00163	0.00163	0.00745	0.01231	0.00858	0.00675	0.00478	0.00872	0.00580	0.00429	0.00600	0.00200	0.04600
60	0.00448	0.00448	0.00448	0.00448	0.00258	0.00258	0.00258	0.00258	0.00976	0.01905	0.01231	0.00813	0.00679	0.01357	0.00872	0.00540	0.00600	0.00280	0.05000
65	0.00837	0.00837	0.00837	0.00837	0.00405	0.00405	0.00405	0.00405	0.01459	0.03031	0.01905	0.01135	0.01036	0.02184	0.01357	0.00802	0.00600	0.00320	0.05000
70	0.01441	0.01441	0.01441	0.01441	0.00669	0.00669	0.00669	0.00669	0.02288	0.04916	0.03031	0.01740	0.01638	0.03539	0.02184	0.01237	0.00600	0.00320	0.05000
75	0.02398	0.02398	0.02398	0.02398	0.01087	0.01087	0.01087	0.01087	0.03670	0.08138	0.04916	0.02758	0.02646	0.05964	0.03539	0.01984	0.00600	0.00320	0.05000
80	0.03899	0.03899	0.03899	0.03899	0.01781	0.01781	0.01781	0.01781	0.05999	0.13594	0.08138	0.04456	0.04330	0.10435	0.05964	0.03208	0.00600	0.00320	0.05000
85	0.07500	0.07500	0.07500	0.07500	0.05589	0.05589	0.05589	0.05589	0.10000	0.21607	0.13594	0.07346	0.07453	0.17519	0.10435	0.05347	0.00600	0.00320	0.05000
90	0.12463	0.12463	0.12463	0.12463	0.09742	0.09742	0.09742	0.09742	0.16617	0.30474	0.21607	0.12279	0.12989	0.26273	0.17519	0.09335	0.00600	0.00320	0.05000
95	0.18685	0.18685	0.18685	0.18685	0.15598	0.15598	0.15598	0.15598	0.24914	0.40319	0.30474	0.19935	0.20797	0.36221	0.26273	0.15946	0.00600	0.00320	0.05000
100	0.25827	0.25827	0.25827	0.25827	0.22662	0.22662	0.22662	0.22662	0.34436	0.48497	0.40319	0.28563	0.30216	0.45146	0.36221	0.24381	0.00600	0.00320	0.05000
105	0.32918	0.32918	0.32918	0.32918	0.30024	0.30024	0.30024	0.30024	0.43890	0.50619	0.48497	0.38406	0.40032	0.50736	0.45146	0.34237	0.00600	0.00320	0.05000
110	0.38233	0.38233	0.38233	0.38233	0.36009	0.36009	0.36009	0.36009	0.50977	0.50000	0.50619	0.47081	0.48012	0.50000	0.50736	0.43539	0.00600	0.00320	0.05000
115	0.37500	0.37500	0.37500	0.37500	0.37500	0.37500	0.37500	0.37500	0.50000	1.00000	0.50000	0.50930	0.50000	1.00000	0.50000	0.50397	0.00600	0.00320	0.05000
120	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	0.00600	0.00320	0.05000

Note: Pre-Retirement and Post-Retirement mortality rates include 20 years of projected on-going mortality improvement using a 2006 Base Year & the Scale MP-2018 published by the Society of Actuaries.

Appendix

Sample Termination Rates

Service	Safety Withdrawal	General Withdrawal
0	0.130	0.135
1	0.080	0.093
2	0.070	0.090
3	0.055	0.060
4	0.038	0.045
5	0.033	0.043
6	0.030	0.038
7	0.028	0.035
8	0.025	0.033
9	0.023	0.030
10	0.020	0.028
11	0.019	0.025
12	0.018	0.024
13	0.017	0.023
14	0.016	0.022
15	0.015	0.021
16	0.014	0.020
17	0.013	0.020
18	0.012	0.020
19	0.011	0.018
20	0.010	0.015

When a member is eligible to retire, the termination with vested benefits probability is set to zero

Appendix

Sample Salary Scale Rates

Service	Entry Ages										Public Agency Miscellaneous			
	15	20	25	30	35	40	45	50	55	60	65	70	75	79
0	0.1220	0.1220	0.1220	0.1160	0.1090	0.1020	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950
5	0.0640	0.0640	0.0640	0.0600	0.0550	0.0520	0.0480	0.0480	0.0480	0.0480	0.0480	0.0480	0.0480	0.0480
10	0.0460	0.0460	0.0460	0.0430	0.0410	0.0390	0.0370	0.0370	0.0370	0.0370	0.0370	0.0370	0.0370	0.0370
15	0.0420	0.0420	0.0420	0.0400	0.0380	0.0360	0.0340	0.0340	0.0340	0.0340	0.0340	0.0340	0.0340	0.0340
20	0.0390	0.0390	0.0390	0.0380	0.0360	0.0340	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330	0.0330
25	0.0370	0.0370	0.0370	0.0360	0.0340	0.0330	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310	0.0310
30	0.0350	0.0350	0.0350	0.0340	0.0330	0.0320	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
35	0.0350	0.0350	0.0350	0.0340	0.0330	0.0320	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
40	0.0350	0.0350	0.0350	0.0340	0.0330	0.0320	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
45	0.0350	0.0350	0.0350	0.0340	0.0330	0.0320	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
50	0.0350	0.0350	0.0350	0.0340	0.0330	0.0320	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300

Service	Entry Ages										Public Agency Fire			
	15	20	25	30	35	40	45	50	55	60	65	70	75	79
0	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.1700	0.1700	0.1700	0.1700
5	0.03723	0.03723	0.03723	0.03723	0.03723	0.03723	0.03723	0.03723	0.03723	0.03723	0.0372	0.0372	0.0372	0.0372
10	0.01647	0.01647	0.01647	0.01647	0.01647	0.01647	0.01647	0.01647	0.01647	0.01647	0.0165	0.0165	0.0165	0.0165
15	0.01443	0.01443	0.01443	0.01443	0.01443	0.01443	0.01443	0.01443	0.01443	0.01443	0.0144	0.0144	0.0144	0.0144
20	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.01265	0.0127	0.0127	0.0127	0.0127
25	0.01109	0.01109	0.01109	0.01109	0.01109	0.01109	0.01109	0.01109	0.01109	0.01109	0.0111	0.0111	0.0111	0.0111
30	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.0097	0.0097	0.0097	0.0097
35	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.0097	0.0097	0.0097	0.0097
40	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.0097	0.0097	0.0097	0.0097
45	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.0097	0.0097	0.0097	0.0097
50	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.00971	0.0097	0.0097	0.0097	0.0097

Appendix

Matrix of Sample Service Retirement Assumption Rates

Service	Attained Ages				General – Tier 1 – Enhanced		
	50	55	60	65	70	75	79
0	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
5	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
10	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
15	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
20	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
25	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
30	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
35	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
40	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
45	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000
50	0.0500	0.2000	0.2800	0.3500	0.5000	1.0000	1.0000

Service	Attained Ages				Safety – PEPR – Tier D & E		
	50	55	60	65	70	75	79
0	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
5	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
10	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
15	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
20	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
25	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
30	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
35	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
40	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
45	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000
50	0.0000	0.0000	0.0600	0.1800	0.3000	1.0000	1.0000

Service	Attained Ages				Safety Tier A Enhanced		
	50	55	60	65	70	75	79
0	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
5	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
10	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
15	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
20	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
25	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
30	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
35	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
40	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
45	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000
50	0.0000	0.2500	0.2500	0.3500	0.5000	1.0000	1.0000



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Dave Winnacker, Fire Chief
DATE: November 17, 2021
SUBJECT: Item 7.8 – 2022 Regular Board Meeting Schedule

BACKGROUND

Per Resolution 11-03 of the Moraga-Orinda Fire District, The Board of Directors conducts Regular Board meetings of the MOFD board on the third Wednesday of each month, beginning at 7:00 PM. Various other Special meetings are scheduled throughout the year to address time-sensitive District issues.

The Regular Board Meeting Schedule for 2022 is as follows:

January	19	July	20
February	16	August	17
March	16	September	21
April	20	October	19
May	18	November	16
June	15	December	21

(Meets 3rd Wednesday of each month)

RECOMMENDATION

Staff recommends the Board approve the 2022 Regular Board Meeting Schedule.



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Dave Winnacker, Fire Chief

DATE: November 17, 2021

SUBJECT: **Item 7.9 – Dissolve the Joint Fire Prevention Ad Hoc Committee with the City of Orinda and Town of Moraga**

BACKGROUND

On May 5, 2020, the City of Orinda established a Joint Fire Prevention subcommittee to meet with representatives of the District board and Moraga Town Council members to ensure the success of community fire prevention efforts.

On August 19, 2020, the MOFD Board approved the establishment of a Joint Fire Prevention Ad Hoc Committee with the City of Orinda and the Town of Moraga. The Board appointed Directors Danziger and Jorgens to serve on the Ad Hoc committee.

Per the Joint Fire Prevention Subcommittee Charter:

The subcommittee shall form and meet starting in June 2020 and the subcommittee will automatically sunset on June 30, 2021, except as set forth herein. The term of the subcommittee may be extended once per calendar year for a period not to exceed 12 months, upon the approval of a two-thirds majority of voting subcommittee members and ratification by each of the member agencies. Subcommittee continuation requires the on-going participation of the City of Orinda, the Town of Moraga and MOFD BOD, and so the subcommittee may be terminated at any time upon the formal withdrawal from the subcommittee by any of the participating agencies.

Based on the Joint Fire Prevention Subcommittee Charter, the Joint Fire Prevention Ad Hoc Committee should be dissolved.

RECOMMENDATION

- 1) Dissolve the Joint Fire Prevention Ad Hoc Committee

ATTACHMENT

Attachment A - Joint Fire Prevention Subcommittee Charter, Rev July 30, 2020

JOINT FIRE PREVENTION SUBCOMMITTEE CHARTER

CITY OF ORINDA– MORAGA-ORINDA FIRE DISTRICT – TOWN OF MORAGA

PURPOSE:

Ad Hoc subcommittee comprised of elected representatives from the City of Orinda, the Town of Moraga, and the Moraga-Orinda Fire District (MOFD) Board of Directors (BOD) to explore ways to support MOFD's coordination of activities associated with fire prevention in the Moraga-Orinda Fire District jurisdiction.

GOVERNANCE AND AUTHORITY:

The subcommittee shall be fully open to public participation, and it shall be noticed in the same manner as are meetings which are subject to the Brown Act. Administrative coordination, notice distribution, and agendas for the subcommittee shall be alternated as necessary between the Orinda City Clerk and MOFD staff. No minutes will be prepared for meetings.

The subcommittee has no direct powers or authority to make public policy or to take any action that will bind any of the member agencies. However, the subcommittee members can make recommendations to their respective agencies (the Orinda City Council, the Moraga Town Council and the MOFD BOD) for consideration and action by those agencies.

COMPOSITION AND APPOINTMENTS:

The subcommittee shall have six members; composed of two members of the Orinda City Council, two members of the Moraga Town Council, and two Directors of the MOFD BOD.

Appointments of subcommittee members shall be made by the Orinda City Council, Moraga Town Council and MOFD BOD. Each appointment term shall be for one year. Subcommittee members are not subject to term limits and can continue to serve on the subcommittee for longer than a single term if designated by their respective agencies. Changes to the subcommittee composition can be made by the respective agencies appointing the members.

CHAIR AND VICE-CHAIR:

A Chair and Vice-Chair for the subcommittee shall be nominated and selected annually by a quorum of the subcommittee membership. The Chair and Vice-Chair shall not be from the same member agency.

The Chair and Vice-Chair shall serve a one-year term. Chair and Vice-Chair nominations and selections will be re-visited annually. The Chair and Vice-Chair are not subject to term limits in their roles and can continue to serve in the same position in back-to-back appointments on the subcommittee if designated by their fellow voting members of the subcommittee.

TERM OF THE SUBCOMMITTEE:

The subcommittee shall form and meet starting in June 2020 and the subcommittee will automatically sunset on June 30, 2021, except as set forth herein. The term of the subcommittee may be extended once per calendar year for a period not to exceed 12 months, upon the approval of a two-thirds majority of voting subcommittee members and ratification by each of the member agencies. Subcommittee continuation requires the on-going participation of the City of Orinda, the Town of Moraga and MOFD BOD, and so the subcommittee may be terminated at any time upon the formal withdrawal from the subcommittee by any of the participating agencies.

MEETINGS:

The subcommittee shall meet at least quarterly but can elect to meet more frequently. Meeting dates will be selected by mutual availability with adequate public notice. There will not be a designated regular meeting day or time.

Meeting locations can rotate and do not have to be conducted in the same location each time. Electronically held meetings will be allowed if designated as allowable under State of California regulations.

Meeting agendas will be confirmed with the Orinda City Clerk by the subcommittee Chair. The Chair will solicit both subcommittee and staff input in the development of meeting agendas.

STAFF LIAISON:

The primary Staff Liaisons to the subcommittee shall be the MOFD Fire Chief and the City Manager for the City of Orinda. The Town Council for the Town of Moraga is not required, but has at all times the option to appoint a single staff member as an additional Staff Liaison to the subcommittee. Meetings will be scheduled to include all appointed Staff Liaisons' participation. Additional staff attendees from each of the participating agencies are welcome but not required.

COSTS:

Costs for administrative support by the Orinda City Clerk shall be borne by the City of Orinda, and no legal costs will be incurred on behalf of the subcommittee without the express authorization of each of the member agencies. Any other costs incurred by a member agency in association with subcommittee participation shall be borne by that individual agency.

GOALS AND OBJECTIVES:

To enhance fire prevention and public safety throughout MOFD's jurisdiction by (i) keeping member agencies updated on MOFD outreach and fire prevention efforts, techniques, priorities and programs through their appointed subcommittee members and Staff Liaisons, (ii) providing member agencies'

feedback on MOFD's outreach and fire prevention efforts and programs, and (iii) exploring ways the member agencies can better facilitate MOFD's outreach, evacuation planning and fire prevention efforts. Taking public input will be a valued part of the subcommittee activities.

ADOPTION AND CHANGES TO CHARTER:

Adoption of this Charter must be approved by at least a two-thirds majority of voting subcommittee members, and ratified by each of the member agencies according to their voting procedures for such matters. Similarly, changes to this Charter must be approved by at least a two-thirds majority of voting subcommittee members and ratified by each of the member agencies according to their voting procedures for such matters.



Moraga-Orinda Fire District

TO: Board of Directors

FROM: David Winnacker, Fire Chief
Gloriann Sasser, Administrative Services Director

DATE: November 17, 2021

SUBJECT: Item 8.1 – Annual Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021

BACKGROUND

Each year the District engages a certified public accountant to audit the financial statements of the District. The District's Administrative Services Division prepared the financial statements for the fiscal year ending June 30, 2021. The financial statements have been audited by Eide Bailly, LLP. In addition to the financial statement audit, Eide Bailly was engaged to prepare a required report on the District's Gann appropriations spending limit calculation and a letter to the Board required by professional accounting standards discussing their audit engagement and the procedures they performed. This report includes no audit findings.

Based upon the audit procedures performed, Eide Bailly has rendered their opinion that the District's financial statements present fairly, in all material respects, the District's financial position as of June 30, 2021, and the results of the governmental activities and the budgetary comparison information for the year then ended, in accordance with generally accepted accounting principles. This is generally referred to as a "clean" or "unqualified" audit opinion.

In addition to the audited financial statements, the District prepared an Annual Comprehensive Financial Report (ACFR) that is designed to meet the requirements of the Government Finance Officers Association (GFOA). The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (ACFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare Annual Comprehensive financial reports that evidence the spirit of transparency and full disclosure. The GFOA then recognizes individual governments that succeed in achieving this goal. This is the eighth year the District has participated in the ACFR Program.

The draft ACFR was distributed to the board members via email. Individual board members directed changes to the ACFR, which have been incorporated.

Ahmad Gharaibeh, audit partner at Eide Bailly will be present at the board meeting to discuss the audit.

DISCUSSION

Annual Comprehensive Financial Report (ACFR) (Attachment A)

The ACFR begins with the Letter of Transmittal and Management's Discussion and Analysis, which provide an executive summary of the document. The two sections provide a narrative introduction, overview and analysis of the basic financial statements.

The financial statements present information on the financial health of the District. Highlights for the year ended June 30, 2021 are as follows:

- The District's total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by \$13,600,357 as of June 30, 2021. A portion of the net position reflects its net investment in capital assets (land, buildings, improvements, equipment and vehicles). An additional portion of the District's net position of \$3,593,836 represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position of (\$26,199,281) is a deficit comprised of liabilities to meet future OPEB and pension obligations (page 16.)
- Cash and investments increased \$1,253,315 from the prior year. This was primarily due to a surplus in the General Fund (page 16.)
- Other restricted assets increased \$2,559,790 due to contributions made to the Pension Rate Stabilization Fund and investment earnings on the Fund. The balance in the Pension Rate Stabilization Fund was \$5,582,483 (page 16.)
- The net pension liability decreased \$4,373,210 to \$22,360,799 (page 16.)
- The net OPEB liability decreased \$2,696,704 to \$11,537,795 (page 16.)
- The governmental funds reported combined fund balances of \$26,797,740 (page 18.) This is an increase of \$5,637,669 compared to the prior year (page 20.) The fund balance consisted of the following:

Nonspendable	\$580,118
Restricted for debt service	3,747,327
Restricted for pension benefits	5,582,483
Committed for capital projects/encumbrances	4,923,162
Unassigned	11,964,650
	\$26,797,740

- The General Fund had a total fund balance of \$18,127,251 (page 18.) Part of the fund balance is restricted for pension benefits \$5,582,483, nonspendable \$580,118 and unassigned \$11,964,650.
- General Fund revenue and other financing sources exceeded expenditures, which resulted in a surplus of \$2,667,947 (page 22.) This was primarily the result of revenue exceeding budget \$1,013,838, expenditures less than budget \$1,646,142 and the transfer of the North Orinda Emergency Fuel Break administrative fee of \$447,124.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements (Attachment A Page 92)

In planning and performing the audit of the financial statements, Eide Bailly considered the District's internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis.

The audit did not identify any deficiencies in internal control that are considered material weaknesses.

Communication With Those Charged With Governance June 30, 2021 (Attachment B)

Professional auditing standards require Eide Bailly to advise the Board on a variety of matters relating to the audit including responsibilities, scope, ethics, qualitative aspects of significant accounting practices, significant difficulties, misstatements and other significant matters.

Independent Accountant's Report on Applying Agreed-Upon Procedures for Appropriations Limit Calculation For the Year Ended June 30, 2021 (Attachment C)

The independent auditor has opined that the District's calculation of the FY2020-21 appropriation limit meets the requirements of Article XIII B of the State Constitution.

RECOMMENDATION

- 1) Discuss; 2) Deliberate; 3) Approve the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021, the Communication With Those Charged With Governance June 30, 2021 and the Independent Accountant's Report on Applying Agreed-Upon Procedures for Appropriations Limit Calculation For the Year Ended June 30, 2021.

ATTACHMENTS

Attachment A – Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021

Attachment B – Communication With Those Charged With Governance June 30, 2021

Attachment C – Independent Accountant's Report on Applying Agreed-Upon Procedures for Appropriations Limit Calculation For the Year Ended June 30, 2021

MORAGA-ORINDA FIRE PROTECTION DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021



MORAGA, CALIFORNIA



This page left blank intentionally.



**Moraga-Orinda Fire
Protection District**

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

**Prepared by the
Administrative Services Division**

Moraga, California





This page left blank intentionally.



**Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021**

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Directory of Officials.....	iii
Organizational Chart.....	iv
District Map.....	v
GFOA Certificate of Achievement.....	vi
Letter of Transmittal.....	vii
FINANCIAL SECTION	
Independent Auditor's Report.....	1
Management's Discussion and Analysis (Required Supplementary Information).....	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	16
Statement of Activities.....	17
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	18
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – General Fund.....	22
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – North Orinda Emergency Fuel Break Special Revenue Fund.....	23



**Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021**

Table of Contents

	<u>Page</u>
Basic Financial Statements, Continued:	
Notes to Basic Financial Statements	24
Required Supplementary Information:	
Pension Schedule of Contributions.....	61
Schedule of the District’s Proportionate Share of the Net Pension Liability.....	63
OPEB Schedule of Contributions.....	65
Schedule of the District’s Changes in Net OPEB Liability.....	67
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual - Debt Service Fund.....	68
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual - Capital Projects Fund.....	69
STATISTICAL SECTION (unaudited)	
Net Position by Component.....	71
Changes in Net Position.....	73
Fund Balances, Governmental Funds.....	75
Changes in Fund Balances, Governmental Funds.....	77
Assessed Value and Actual Value of Taxable Property.....	79
Direct and Overlapping Property Tax Rates.....	80
Principal Property Taxpayers.....	82
Property Tax Levies and Collections.....	84
Ratio of Outstanding Debt by Type.....	85
Direct and Overlapping Debt.....	86
Legal Bonded Debt Margin.....	87
Demographic and Economic Statistics.....	89
Emergency Response Detail Analysis.....	90
Total Emergency Responses.....	91
COMPLIANCE SECTION	
Report on Internal Control Over Financial Reporting and on Compliance with Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	92



MORAGA-ORINDA FIRE PROTECTION DISTRICT ANNUAL COMPREHENSIVE FINANCIAL REPORT

DIRECTORY OF OFFICIALS

Board of Directors

Craig Jorgens
President

Michael Donner
Vice President

Gregory Baitx
Secretary

Steven Danziger
Treasurer

John Jex
Director

Principal Staff

David Winnacker
Fire Chief

Steve Gehling
Battalion Chief

Gloriann Sasser
Administrative Services Director

Jerry Lee
Battalion Chief

Jeff Isaacs
Fire Marshal

Lucas Lambert
Battalion Chief

Lisa Dalton
Human Resources Manager

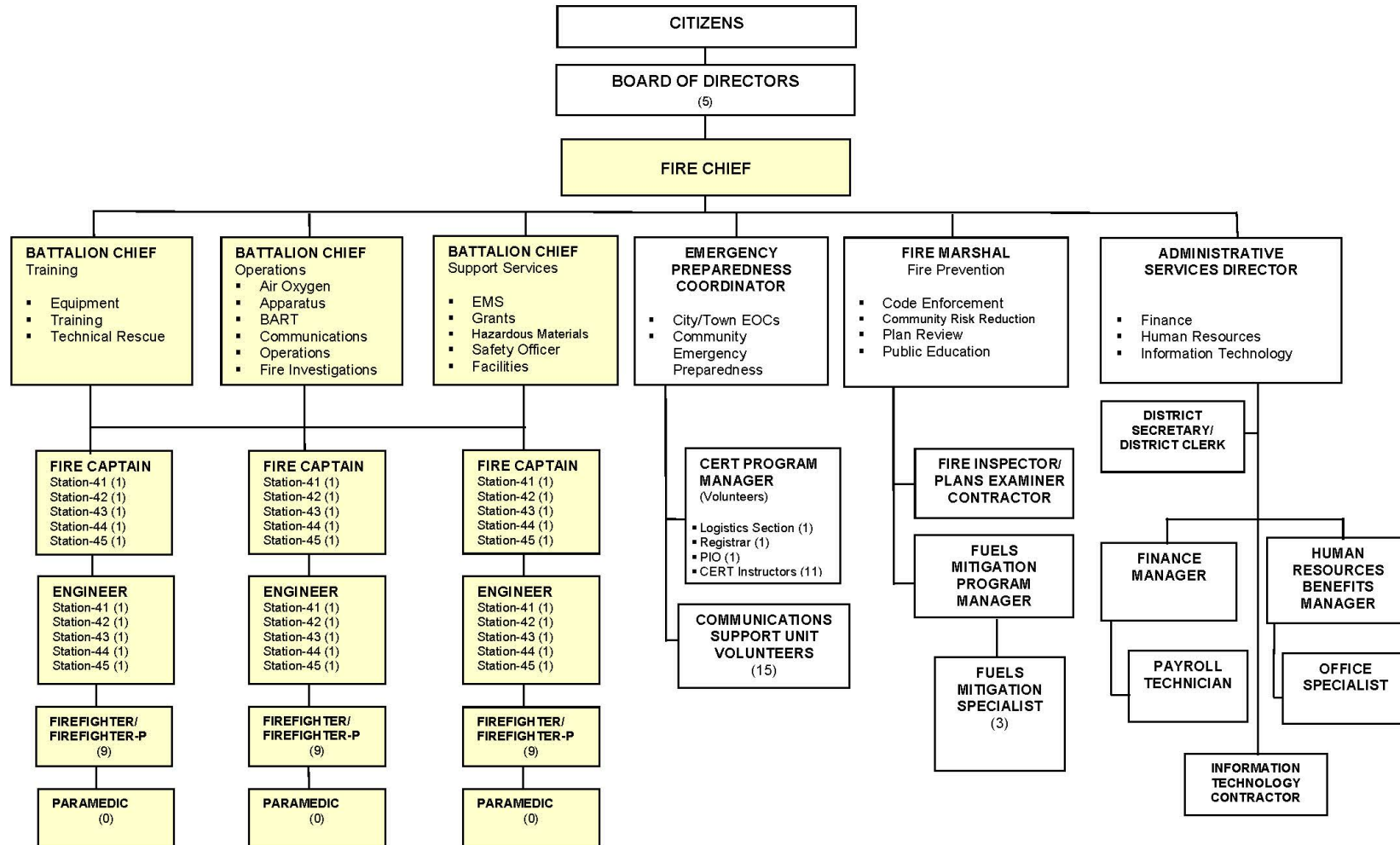
Gorden Graham
Fuels Mitigation Manager

Mary Smith
Finance Manager



Moraga-Orinda Fire District ORGANIZATIONAL STRUCTURE

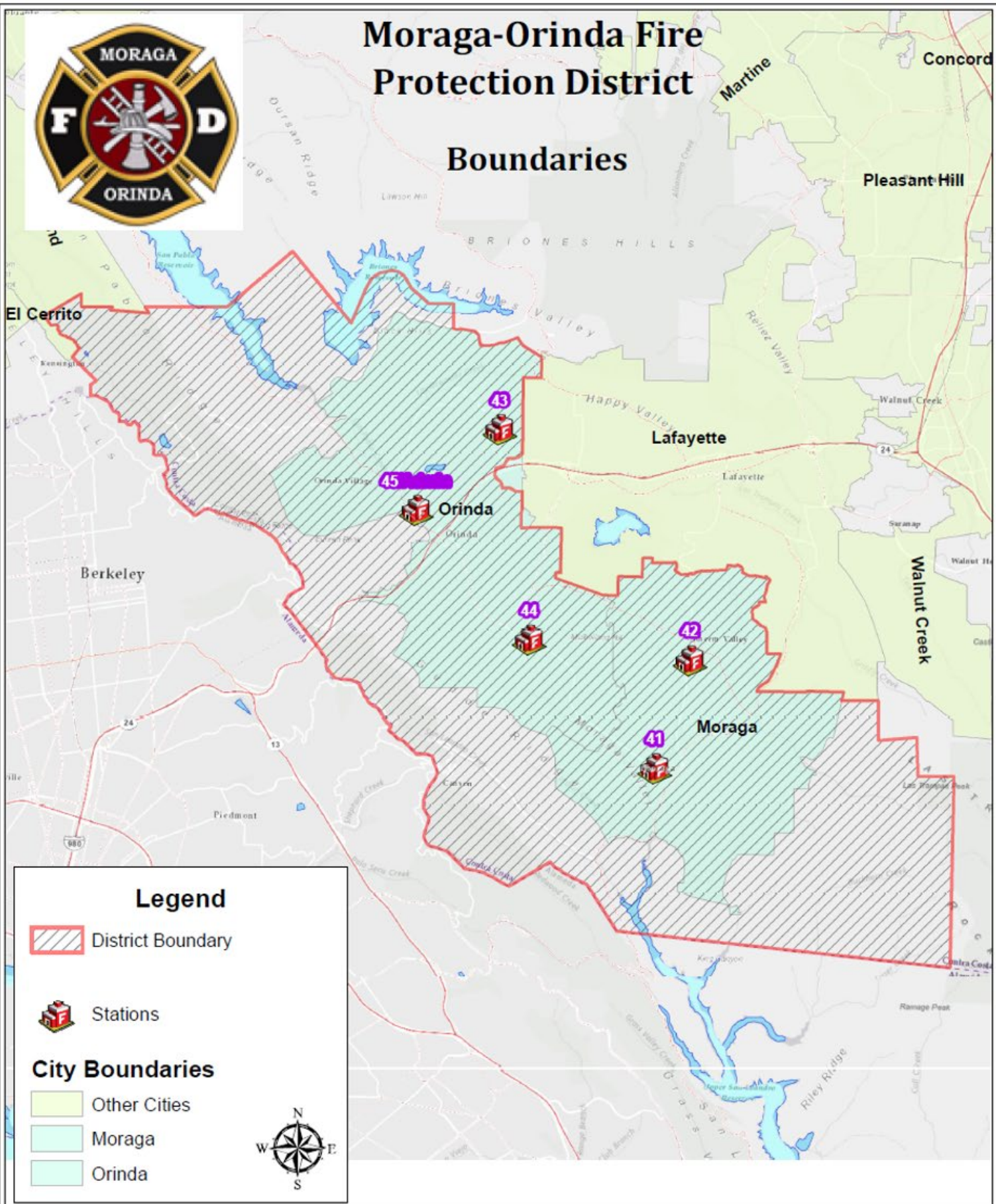
June 2021





Moraga-Orinda Fire Protection District

Boundaries






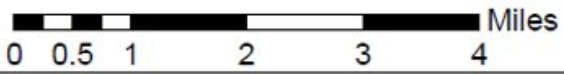
Legend

 District Boundary

 Stations

City Boundaries

-  Other Cities
-  Moraga
-  Orinda





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Moraga-Orinda Fire Protection District
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO



Moraga-Orinda Fire District

November 12, 2021

Board of Directors
Moraga-Orinda Fire Protection District
1280 Moraga Way

Members of the Board:

We are pleased to present the Moraga-Orinda Fire Protection District Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This is the Eighth Annual Comprehensive Financial Report prepared by the District.

This report has been prepared by the Administrative Services Division following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and is in conformance with generally accepted accounting principles for state and local governmental entities established by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy, completeness and fairness of the presented data and the clarity of presentation, including all disclosures, rests with the management of the District.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report providing a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The District

The District is an autonomous Special District as defined under the Fire Protection District Law of 1987, Health and Safety Code, Section 13800, of the State of California. The District was formed in 1997, when over 80% of the voters affirmatively voted to form the District. The District is responsible for providing the highest level of emergency and non-emergency services to the community in an effort to protect life, the environment and property.

A five-member Board of Directors, elected by their constituents and each serving a four-year term, governs the District. The Directors meet once a month to determine overall policy for the District.

The Fire Chief is the administrative and operational Chief Executive Officer of the District under the direction and control of the District Board. The Fire Chief is supported by the executive staff, consisting of three Battalion Chiefs, the Fire Marshal, the Fuels Mitigation Manager, the Emergency Preparedness Coordinator, the Administrative Services Director, Finance Manager and Human Resources Benefits Manager.

The District has six divisions: Operations, Fire Prevention and Fuels Mitigation, Support Services, Training, Emergency Preparedness and Administrative Services. These divisions provide a full-range of services, including emergency and non-emergency services, fire prevention, emergency preparedness and public education. The District employs 70 personnel, in addition to approximately 30 volunteers.

The District maintains five Fire Stations and one Administration Office Building, all strategically located within the District. All five fire stations house paid firefighters. The District staffs seven companies, which includes four fire engines, one truck, one dedicated ambulance and one command vehicle. Two ambulances, one water tender, four Type III wildland engines and a Type VI wildland engine are cross-staffed as needed. All administrative personnel work at the Administration Office. Due to COVID-19 precautions and in accordance with orders issued by the Contra Costa County Health Officer, the majority of the administrative staff worked remotely from March 2020 until the end of the fiscal year.

The District covers a broad geographic and population base consisting primarily of urban/suburban/semi-rural and rural service areas. Within the District, there are a wide variety of target hazards including portions of the Berkeley-Oakland Hills, several East Bay Regional Parks, three reservoirs, BART, Highway 24, the Caldecott Tunnel, Saint Mary's College, the City of Orinda, Town of Moraga and unincorporated areas of Contra Costa County.

Internal Control In developing and evaluating the District's accounting system, priority is given to the accuracy of internal accounting control. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the accuracy and reliability of accounting data and the adherence to prescribed managerial policy. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the cost-benefit analysis requires estimates and judgments by management.

Accounting System and Budgeting Controls The District's accounting and budgeting records for the basic financial statements in this report conform to generally accepted accounting principles (GAAP) according to standards established by the GASB.

The District maintains extensive budgetary controls. The District's Annual Budget, adopted prior to July 1, provides overall control of revenue and expenditures, including appropriations (budgeted expenditures) on a line item basis and the means of financing them (budgeted revenue). The District's accounting system produces monthly reports on expenditure activity that assist Division Managers to monitor activities and programs. These reports are also reviewed by the Finance Manager, Administrative Services Director and Fire Chief to assure budgetary compliance.

As a recipient of federal, state and county financial assistance, the District is responsible for ensuring that an adequate control structure is in place to comply with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by District Finance staff.

Financial Policies In 2013 the District adopted the provisions of GASB 54 and established a Fund Balance Policy. As of June 30, 2021, unrestricted fund balance in the General Fund was 43% of budgeted General Fund revenue. If the District cash balance with Contra Costa County drops to zero in the late fall we can employ the Teeter Plan for borrowing from Contra Costa County in anticipation of the cash payments for the current year's tax revenue.

Audit of Financial Statements The District contracts for an independent audit each year to provide reasonable assurance that its financial statements are free of material misstatements. This annual audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The District engaged the accounting firm of Eide Bailly LLP to perform the audit of its financial statements. The auditor has issued an unmodified opinion on the District's financial statements indicating they are fairly presented in conformity with GAAP.

Major Initiatives and Long-Term Financial Planning There were several major initiatives during the fiscal year:

- COVID-19 – The global pandemic dominated the fiscal year. The District continued to modify procedures in order to provide emergency medical services to the community during a pandemic while maintaining employee safety. In addition, ambulance services revenue decreased and the financial implications of the pandemic on the District were uncertain. The District adopted a conservative budget and closely monitored revenue and expenditures throughout the fiscal year.
- Fuels Mitigation – Due to the significant wildfires in California and high citizen demand, the District continued an aggressive fuels mitigation program. The goal of the program is to reduce combustible fuels throughout the District. The District focused on prescribed fire, community chipping, property inspections and enforcement. The program includes free wood chipping services for District residents, expanded fire risk assessment services, and adoption of a progressive fire code.
- North Orinda Emergency Fuel Break – In May 2019 the District entered into a contract in the amount of \$4,250,000 with the State of California to provide professional services to create the North Orinda Emergency Fuel Break. The project funded work created a 19.3-mile long shaded fuel break designed to reduce the risk of wildfires entering the community by removing understory and ground fuels. The fuel break was completed in October 2019. The District spent remaining funds to remove high priority trees and project work was completed during FY2021. The money collected from the contract administrative fee in the amount of \$446,887 was transferred to the General Fund.
- Fiscal Sustainability – A primary goal in FY2021 was to continue to increase General Fund reserves while also continuing to provide high level services. The District continued to review existing practices and identify and implement cost-saving opportunities. As directed by the Board, the District General Fund unassigned reserves increased \$2,346,589 or 24% resulting in total unassigned reserves of \$11,964,650 or 43% of budgeted General Fund revenue as of the end of the fiscal year.
- OPEB Trust Account – In 2015 the District established an Other Post-Employment Benefits (OPEB) trust account. The purpose of an OPEB trust is to accumulate funds for payment of the District's future retiree health insurance obligations. The District continued to make an annual contribution to the trust account in the amount of \$331,633. The establishment and continued funding of the account will significantly reduce the District's net reported OPEB liability and strengthens the District's financial position. The contribution to the trust account does not directly reduce the liability itself but it allows the District to report a smaller liability because of governmental accounting reporting requirements. The trust is the District's vehicle to set-aside funds specially allocated to exclusively pay for retiree health insurance costs.

- Pension Rate Stabilization Fund – In 2017 the District established a Pension Rate Stabilization Fund. The purpose of the fund is to prefund pension costs. During FY2021 the District contributed \$1,562,792 to the fund. The establishment and continued funding of the account sets aside money to help the District properly manage volatile pension costs and to fill the gap created between payments required by CCCERA when they use a 7% rate of return assumption on their portfolio and 7% discount rate on their future pension obligations and the District board's 6.25% rate of return and discount rate assumption. Of note, the lower number is more in line with the California State economic advisors rate forecasts. The District has significant future risk that contribution rates will increase resulting in higher CCCERA rates. CCCERA's returns have been relatively volatile in the past creating increased uncertainty in the future. In order to address this volatility, the District's Long Range Financial Forecast anticipates significantly increasing future contributions to the Pension Rate Stabilization Fund.
- Minimum Fund Balance – The District's unrestricted fund balance at its peak in the General Fund increased from 38% to 43% of budgeted General Fund revenue. In March 2018 the Board set a goal to maintain unrestricted fund balance in the General Fund of 50% of budgeted General Fund revenue. This level of unrestricted reserve would allow the District to have adequate cash balances to fund operations without having to borrow from the County prior to the receipt of tax revenues in December of each year.

For long-term financial planning purposes, the District maintains a ten-year Long Range Financial Forecast which is updated on an annual basis. The Long Range Financial Forecast includes planning for the District's capital needs including fire stations, an administration building, vehicles and equipment. This process allows the District to plan for its capital needs and allocate short- and long-term resources appropriately. As part of this process, the District models different ways to fund major capital needs including the use of property tax revenue, fire flow tax revenue and/or the possibility of issuing debt. Because of fiscal constraints and the uncertainty of the pandemic, the District has not funded the Station 41 and Administration building replacement. These projects will be addressed as the pandemic ends and funding becomes available.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Moraga-Orinda Fire Protection District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the sixth year that the District achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report.

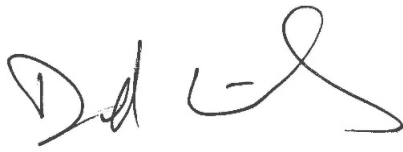
Acknowledgements

The preparation of this report reflects the combined and dedicated effort of District staff, particularly in the Administrative Services Division. Staff in each division has our appreciation for their contributions in the preparation of this report.

Staff would also like to take this opportunity to recognize the Board of Directors for their continued support to maintain the highest standards of professionalism in the management of the District's finances.

The District remains committed to providing the highest level of emergency and public service in response to the needs of our community.

Sincerely,

A handwritten signature in black ink, appearing to read "David Winnacker". The signature is fluid and cursive, with a large initial "D" and a long, sweeping tail.

David Winnacker
Fire Chief

A handwritten signature in black ink, appearing to read "Gloriann Sasser". The signature is cursive and somewhat stylized, with a large initial "G" and a long, sweeping tail.

Gloriann Sasser, CPA
Administrative Services Director



This page left blank intentionally.



INDEPENDENT AUDITOR'S REPORT

To the District Board
of the Moraga-Orinda Fire Protection District
Moraga, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Moraga-Orinda Fire District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2021 and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and North Orinda Emergency Fuel Break Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-16, the schedule of pension contributions, schedule of proportionate share of net pension liability, schedule of OPEB contributions, schedule of changes in net other postemployment benefits (OPEB) liability and budgetary comparison information on pages 63 thru 69, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying capital projects and debt service budgetary comparison schedules and the other supplementary information such as the introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The capital projects and debt service budgetary comparison schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the capital projects and debt service budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
November 12, 2021



This page left blank intentionally.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis

This section of the Moraga-Orinda Fire Protection District's (District) basic financial statements presents an overview and analysis of the financial activities and an explanation of the organization of funds of the organization for the fiscal year ended June 30, 2021. The Management's Discussion and Analysis (MD&A) describes the significant changes from the prior year that occurred in general operations and discusses the activities during the year for capital assets and long-term debt as well as a description of currently known facts, decisions and conditions that are expected to impact the financial position of the District's operations. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal. The District has a separate financing vehicle called the Moraga-Orinda Fire Protection District Public Facilities Financing Corporation (Corporation). The Corporation was established to provide for financing of public capital improvements for the District, the Corporation and other local agencies.

Annual Report Overview

Until March 2020 the District continued to benefit from a strong economy and an increasing tax base while making prudent investments in restricted and unrestricted reserve funds. In light of these factors, the District increased funding to restore programs and services that were cut during the recession while initiating a major wildfire threat reduction program. Significant portions of this work were funded through external sources in the form of grants and the District will continue to seek out available external funding to continue these efforts. The District's overall financial position improved during fiscal year 2020/21. However, since the COVID-19 pandemic there is uncertainty surrounding the economy, the District's property tax base and the effect of the recession on the District's retirement costs.

Looking ahead, the District will continue to face the challenge of competing demands for expansion of services and programs that exceed available resources. Currently, the major enhancements competing for resources are: Increased suppression staffing, continued Pension Rate Stabilization Fund and OPEB Trust Fund contributions at the full actuarial recommended rate, Wildfire risk reduction efforts and Station 41 replacement. Additionally, the current labor contracts expired in 2021 and are being renegotiated which may lead to increased resources dedicated to non-discretionary pay and benefits. Barring unanticipated changes in how the District generates revenue, fully funding all of these initiatives will not be possible and priorities will have to be established to guide the allocation of available resources. This prioritization is difficult as all of the initiatives benefit the community and strong cases can and have been made that each one provides the greatest benefit. It is also worth noting that the District enjoys exceptional community support and benefits from the engagement of a talented and long serving work force who regularly exceed expectations while responding to calls for emergency and fuels mitigation services. Regardless of the prioritization of new or expanded programs, it is critical that the District retain and develop this work force to ensure core tasks of emergency medical service, rescue, and fire suppression continue to be carried out in a noteworthy manner.

The District has also established itself as a hub of innovation around Fire Prevention and wildfire risk reduction and continues to benefit from a permissive environment and proximity to technology centers. These efforts will continue throughout the coming year as the District seeks to maximize return on the investment of staff time by repurposing existing technologies and collaborating with industry and academic partners to develop new and emerging concepts.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

Annual Report Organization

This annual report consists of a series of financial statements. The District's basic financial statements are comprised of three components: Government-wide financial statements, Fund financial statements and Notes to the basic financial statements. This report also contains supplementary information and statistical data in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* provide the reader with a longer-term view of the District's activities as a whole and comprise the Statement of Net Position and Statement of Activities. The manner of presentation is similar to a private-sector business.

The *Statement of Net Position* presents information about the financial position of the District as a whole, including all its capital assets and long-term liabilities on the full accrual basis. Over time, increases or decreases in net position is one indicator in monitoring the financial health of the District.

The *Statement of Activities* provides information about all the District's revenue and expenses on the full accrual basis, with the emphasis on measuring net revenues or expenses of each specific program. This statement explains in detail the change in Net Position for the year.

All of the District's activities in the government-wide financial statements are principally supported by general District revenues such as taxes or user-fee related charges such as ambulance services and inspection fees. The governmental activities reported in government-wide financial statements include general government activity, the fire protection and interest on long-term debt.

The government-wide financial statements use the full accrual basis of accounting method which records revenues when earned and expenses at the time the liability is incurred, regardless of when the related cash flows take place.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund Financial Statements

The *fund financial statements* report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District. The fund financial statements measure only current revenues and expenditures and fund balances; excluding capital assets, long-term debt and other long-term obligations.

The fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long term liabilities, are not presented in the fund financial statements. These financial statements help determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship or differences between the government-wide and fund financial statements in a reconciliation following the fund financial statements.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

The fund financial statements provide detailed information about each of the District's most significant funds, called Major Funds. The District's Major Funds are the General Fund, the North Orinda Emergency Fuel Break Fund, the Capital Projects Fund and the Debt Service Fund. The District currently has no non-major funds.

Comparisons of Budget and Actual financial information are presented for the General Fund and the North Orinda Emergency Fuel Break Fund.

Notes to the Basic Financial Statements

The *notes* provide additional information that is essential to the reader for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 25 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's liabilities related to pension and OPEB.

The budgetary comparison schedules are presented immediately following the required supplementary information.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

Government-wide Overall Financial Analysis

This analysis focuses on the net position and change in net position of the District's Governmental Activities. Over time, net position may serve as a useful indicator of a government's financial position. The District's net position is reported as follows:

	Governmental Activities	
	2021	2020
Cash and investments	\$ 15,696,459	\$ 14,443,144
Restricted cash and investments	3,747,327	3,487,608
Other assets	2,829,146	1,386,904
Other restricted assets	5,582,483	3,022,693
Capital assets, net	12,475,879	13,425,855
Total assets	<u>40,331,294</u>	<u>35,766,204</u>
Deferred outflows of resources – pension plans	14,273,411	9,407,578
Deferred outflows of resources – OPEB	22,361	115,330
Total deferred outflows of resources	<u>14,295,772</u>	<u>9,522,908</u>
Current liabilities	6,323,858	5,688,965
Noncurrent liabilities	38,285,944	50,251,357
Total liabilities	<u>44,609,802</u>	<u>55,940,322</u>
Deferred inflows of resources – pension	21,578,747	13,288,748
Deferred inflows of resources – OPEB	2,038,874	298,611
Total deferred inflows of resources	<u>23,617,621</u>	<u>13,587,359</u>
Net Position:		
Net investment in capital assets	9,005,088	9,117,374
Restricted	3,593,836	3,246,610
Unrestricted (deficit)	(26,199,281)	(36,602,553)
Total net position	<u>\$ (13,600,357)</u>	<u>\$ (24,238,569)</u>

The District's total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by \$13,600,357 as of June 30, 2021. A portion of the net position reflects the District's net investment in capital assets (land, buildings, improvements, equipment and vehicles). An additional portion of the District's net position of \$3,593,836 represents resources that are subject to external restrictions on how they may be used. The deferrals resulted from changes in assumptions, difference between expected and actual earnings on the plan and differences from experience for both the OPEB and pension plans. These deferrals will be recognized to pension and OPEB expense over a period up to five years.

The remaining balance of net position of (\$26,199,281) is a deficit and will reduce the District's ability to meet its ongoing obligations to its citizens and creditors. The District has a significant deficit unrestricted net position as of both June 30, 2021 and 2020.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

The following points explain the major changes impacting net position as shown above:

- Cash and investments increased \$1,253,315 from the prior year. This was primarily due to a surplus in the General Fund.
- Restricted cash and investments increased \$259,719 due to pension obligation bond debt service requirements.
- Other restricted assets increase by \$2,559,790 due to contributions made to the Pension Rate Stabilization Fund and investment earnings on the Fund.
- Capital assets decreased \$949,976 primarily due to depreciation.
- Deferred outflows of resources related to the pension and OPEB increased \$4,772,864 due to changes in the actuarial assumptions.
- Noncurrent liabilities decreased \$11,965,413 primarily due to a decrease in the net pension liability due to CCCERA and the principal payments made towards the pension obligation bonds.
- Deferred inflows of resources related to the pension and OPEB plans increased \$10,030,262 due to an increase in deferrals relating to pension plan earnings.
- Investment in capital assets decreased \$112,286 primarily due to payment of capital related debt and the depreciation.
- Restricted net position includes property tax revenue held in a bond fund account for the payment of Taxable Pension Obligation Bonds, Series 2005 in the amount of \$3,747,327 less interest payable on the bonds in the amount of \$153,491. Funds for the Taxable Pension Obligation Bonds are held with the Trustee at Wells Fargo Bank.
- The District has \$26,199,281 of unrestricted net deficit as of June 30, 2021.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position. The narrative that follows describes the individual program expenses, program revenues and general revenues in more detail.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

	Governmental Activities	
	2021	2020
Expenses		
Fire protection - operations	\$ 24,739,637	\$ 28,155,478
Interest	357,144	545,240
Total expenses	<u>25,096,781</u>	<u>28,700,718</u>
Revenues		
Program revenues:		
Charges for services	1,691,513	1,614,881
Operating grants and contributions	990,192	4,472,546
Total program revenues	<u>2,681,705</u>	<u>6,087,427</u>
General revenues:		
Property taxes	27,314,589	26,074,303
Fire flow taxes	1,093,247	1,087,937
Investment earnings	1,033,285	212,424
State and federal grants	149,337	148,796
Other revenues	3,462,830	456,975
Total general revenues	<u>33,053,288</u>	<u>27,980,435</u>
Change in net position	10,638,212	5,367,144
Net position - beginning	(24,238,569)	(29,605,713)
Net position - ending	<u>\$ (13,600,357)</u>	<u>\$ (24,238,569)</u>

Expenses

Fire protection – operations expenses totaled \$24,739,637 for fiscal year 2020-2021. This was an decrease from the prior year of \$3,415,841 due to the winding down of the North Orinda Shaded Fuel Break project.

Program Revenues

Program revenues classified as “Charges for Services” in the amount of \$1,691,513 include revenue for ambulance service fees, plan review fees, inspection fees, and public education class fees. Program revenues classified as “Operating Grants and Contributions” in the amount of \$990,192 include revenue from the State of California and Contra Costa County.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

General Revenues

The primary source of revenue for the operations of the District is generated through the collection of secured, unsecured and supplemental property taxes. During the fiscal year, property tax revenue totaled \$27,314,589 and increased \$1,240,286 or 4.8%. In addition, the District collects a fire flow tax, which amounted to \$1,093,247 in 2020-2021. The other revenue category increased due to an increase in strike team activity. The amounts collected this year were strike team revenue of \$3,372,112 along with other revenue of \$90,718 totaling \$3,462,830.

Government Activities – Governmental Funds

At June 30, 2021, the District's governmental funds reported combined fund balances of \$26,797,740. This is an increase of \$5,637,669 compared to the prior year. Unassigned fund balance of \$11,964,650 is available for spending at the District's discretion. The rest of the District's fund balance is either non-spendable, restricted or committed to indicate that it is 1) non-spendable for prepaid items \$580,118; 2) legally required to be maintained intact \$9,329,810; or 3) committed for particular purposes \$4,923,162.

Analysis – General Fund

The General Fund is the chief operating fund of the District. During the current fiscal year, fund balance increased \$5,227,738. Unassigned fund balance at June 30, 2021, which is available for spending at the District's discretion, was \$11,964,650.

General Fund revenues increased \$4,674,655 or 18.5% over the prior fiscal year. Property tax revenue increased \$1,065,719 or 4.8% in the General Fund. Ambulance services revenue decreased \$72,630 or 5.4% due to fewer ambulance transports when citizens had to shelter-in-place due to the pandemic. General Fund expenditures increased \$2,594,224 or 11.5% from the prior fiscal year. Salaries increased \$473,647 or 5.0% primarily due to the annual salary increase, an increase in the number of positions and a reduction in the number of vacant positions during the fiscal year. Overtime increased \$1,821,603 or 111.7% due to the increase in the strike team activity. Benefits and retirement contribution costs increased \$254,396 or 2.9% due to the salary increase (retirement costs are based on payroll.) Also, services and supplies expenditures increased \$44,578 or 1.7% primarily due to increased equipment and vehicle maintenance costs and training classes.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

North Orinda Emergency Fuel Break Special Revenue Fund

The North Orinda Emergency Fuel Break Special Revenue Fund is used to account for the activities to create a shaded fuel break in North Orinda. Resources are provided by the State of California via a professional services contract. Expenditures decreased \$3,220,080 due completion of the fuel break.

Debt Service Fund

The Debt Service Fund, a major governmental fund, had an increase in fund balance during the current year of \$259,719 to bring the year end fund balance to \$3,747,327. The increase is due to the requirements of the District's Taxable Pension Obligation Bonds (bonds). The trust agreement for the bonds requires Contra Costa County to transfer property tax to the District's trustee in an amount sufficient to pay the District's bond obligations in the next calendar year. The District's bond obligations increased, resulting in an increase in fund balance during the current fiscal year.

The Debt Service Fund ending fund balance of \$3,747,327 is legally restricted and may only be used to meet the District's bond obligations.

Capital Projects Fund

The Capital Projects Fund accounts for capital asset purchases as well as the fire flow tax, developer mitigation fees and miscellaneous tax collection fees.

The Capital Projects Fund had an increase in fund balance during the current fiscal year in the amount of \$580,232. This was primarily due to grant revenues received that will be spent in the subsequent fiscal year. The fund reports committed fund balance of \$4,923,162 at fiscal year-end, which is available for capital projects.

General Fund Budgetary Highlights

During the year, General Fund appropriations between the original and final amended budget increased due to revised projections during the mid-year budget review process. There were no significant variances between actual revenue or expenditures and the amended budget.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

Debt Administration

In 2005, the District issued Taxable Pension Obligation Bonds in the original principal amount of \$28,435,000. The bonds were issued to finance payment of the unfunded actuarial accrued pension liability. At the end of the fiscal year, total bonds outstanding were \$5,255,000. The District's bonds payable decreased \$3,265,000 during the fiscal year. The bonds are scheduled to be paid off on July 1, 2022. The average coupon rate is 5.22% and the terms of the agreement do not allow it to be prepaid. The District's lease purchase debt decreased by \$837,690. The debt is discussed in Note 7.

Capital Assets

As of June 30, 2021, the District's capital assets net of accumulated depreciation totaled \$12,475,879 which is a decrease of \$949,976 over the capital assets net of accumulated depreciation at June 30, 2020. Capital assets include the District's entire major infrastructure incorporating land, fire stations and buildings, apparatus, vehicles, firefighting equipment and furniture. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at the estimated acquisition costs on the date contributed. Capital assets with a value of \$5,000 or more are recorded as capital assets. All capital assets are depreciated over estimated useful lives, using the straight-line method. Additional information regarding the District's capital assets can be found in Note 5. Significant capital asset activity during the current fiscal year included the sale of two surplus vehicles and surplus hose.

Economic Outlook

Due to the economic effects of the coronavirus pandemic, the District's economic outlook is uncertain. The fiscal impacts of COVID-19 are significant and the District is not immune to the fiscal challenges. At this time there are many uncertainties. During fiscal year 2021 the District continued to improve its financial condition. Unassigned fund balance in the General Fund increased to \$11,964,650 at June 30, 2021, or 43% of budgeted General Fund revenue. Looking ahead, the District adopted a balanced General Fund budget for fiscal year 2021/22 with a surplus of \$744,194 in the new fiscal year. Unassigned fund balance is projected to decrease in the new fiscal year.

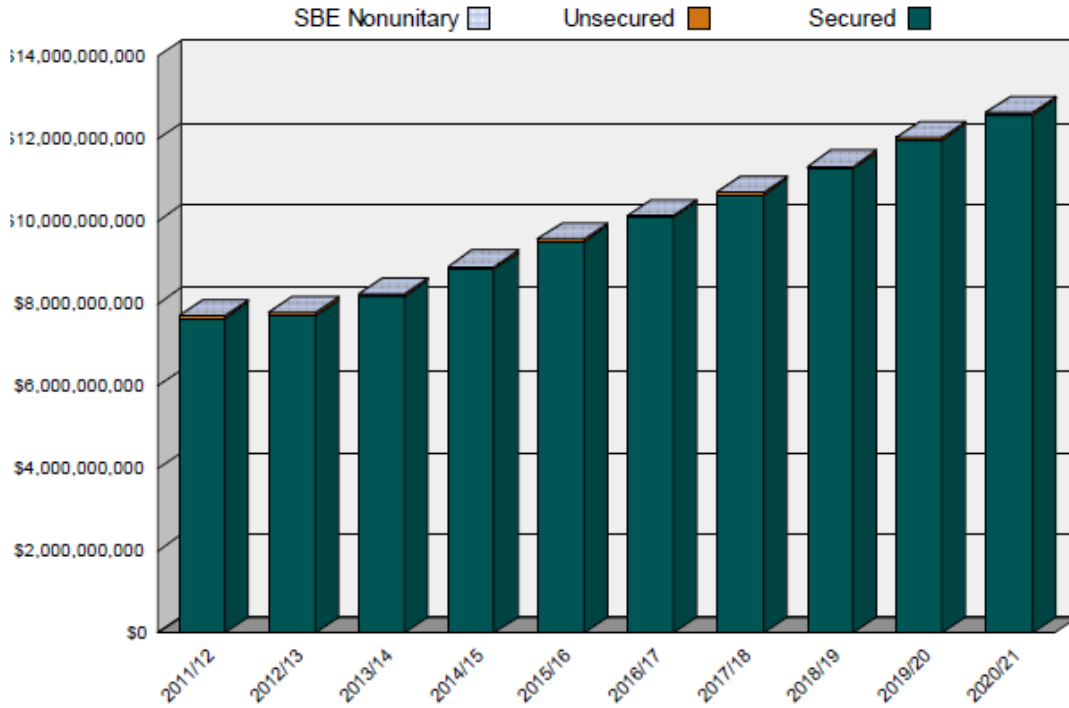
The primary economic drivers of District finances are property tax revenue and personnel costs. It is important to understand the factors that influence changes in these key financial sources and uses. Other important factors that influence the District's long-term fiscal sustainability include proper management of long-term liabilities for retirement benefits and ensuring an adequate level of reserve funds.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

Property tax revenue is based on the assessed valuation of residential properties. Property tax revenue is projected to increase 4.2%. Assessed valuation increased 4.8% in 2020/21 as detailed here.



The local housing market has been strong, with the median sales price of a single-family home in the District increasing 14.01% in 2021 as detailed here:





Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

Salaries and benefits costs are projected to increase 3% in FY2022. The increase is due to negotiated salary increases, an increase in the number of filled position, an increase in retirement costs.

The FY2022 budget projects a General Fund surplus of \$744,194. The District will continue to closely monitor future revenue and expenditure effects of the COVID-19 pandemic.

The District continued to address its unfunded liability for retiree health insurance. The District maintains an Other Post-Employment Benefits (OPEB) trust account. The purpose of an OPEB trust is to accumulate funds for payment of the District's future retiree health insurance costs. During fiscal year 2020/21 the District made the annual contribution to the trust account in the amount of \$331,633. The establishment of the account reduces the District's net reported OPEB liability and strengthens the District's financial position. The contribution to the trust account does not actually reduce the liability itself but it allows the District to report a smaller liability because of governmental accounting reporting guidelines.

The trust allows the District to set aside funds specially allocated to pay this obligation. In addition, in order to control the OPEB unfunded liability, employee and retiree health insurance is capped at a fixed dollar amount with no future increases in existing labor agreements. For all new hires, retiree medical insurance is reduced to a required minimum amount. Expanding OPEB benefits would require increased annual contributions.

The volatility of pension costs is a significant financial challenge facing the District. The CCCERA pension payments are driven by increases and decreases in portfolio assets. When the fund under performs they must increase the premium paid to cover the losses. The taxpayers currently guarantee the pension payments regardless of the performance of the investments. In order to mitigate this financial risk, in January 2017 the District established a Pension Rate Stabilization Fund. The purpose of the fund is to set aside additional money to prefund pension costs above and beyond what is required by the retirement association. During FY 2020/21 the District contributed \$1,562,792 to the fund. The balance in the account as of June 30, 2021 was \$5,582,483.

The District maintains a Long-Range Financial Forecast to project anticipated revenues and expenditures for a 10-year period. The Forecast helps the District identify and anticipate future financial challenges.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Management's Discussion and Analysis, Continued

The United States entered a recession in February 2020. During the last recession, the District experienced decreased property tax revenue and increased retirement costs. Prudent levels of fund balance reserves are necessary to help the District adjust when the next economic downturn occurs. The District adopted a requirement to maintain a 17% reserve in 2017 and the board has set a goal of increasing the reserve to 50% of revenue as a prudent hedge against future uncertainty.

Currently, the District's general fund reserve level stands at 43%. The District recognizes the volatility of future revenue and has developed a long-range financial forecast using conservative estimates of revenue growth.

In summary, the District remains committed to providing the highest level of emergency and public service in response to the needs of our community within its financial constraints.

Financial Contact

This Annual Comprehensive Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this Report should be directed to the Administrative Services Division, at 1280 Moraga Way, Moraga, CA 94556.



Moraga-Orinda Fire Protection District
Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and investments	\$ 15,696,459
Receivables, net	2,226,152
Prepaid items	580,118
Other assets	22,876
Total current assets	<u>18,525,605</u>
Noncurrent assets:	
Restricted cash and investments	3,747,327
Restricted pension trust assets	5,582,483
Capital assets, net	12,475,879
Total noncurrent assets	<u>21,805,689</u>
Total assets	<u>40,331,294</u>
Deferred outflows of resources	
Deferred outflows of resources - pension plans	14,273,411
Deferred outflows of resources - OPEB	22,361
Total deferred outflows	<u>14,295,772</u>
Total assets and deferred outflows of resources	<u>\$ 54,627,066</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 188,307
Salaries and benefits payable	869,368
Interest payable	153,491
Compensated absences - current portion	648,900
Current portion of long-term liabilities	4,463,792
Total current liabilities	<u>6,323,858</u>
Noncurrent liabilities:	
Compensated absences	125,351
Due after one year	4,261,999
Net OPEB liability	11,537,795
Net pension liability	22,360,799
Total noncurrent liabilities	<u>38,285,944</u>
Total liabilities	<u>44,609,802</u>
Deferred inflows of resources	
Deferred inflows of resources - pension plans	21,578,747
Deferred inflows of resources - OPEB	2,038,874
Total deferred inflows of resources	<u>23,617,621</u>
Total liabilities and deferred inflows of resources	<u>68,227,423</u>
Net position	
Net investment in capital assets	9,005,088
Restricted for:	
Debt service	3,593,836
Unrestricted (deficit)	(26,199,281)
Total net position	<u>(13,600,357)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 54,627,066</u>

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Statement of Activities
For the year ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Fire protection - operations	\$ 24,739,637	\$ 1,691,513	\$ 990,192	\$ (22,057,932)
Interest on long-term debt	357,144	-	-	(357,144)
Total governmental activities	\$ 25,096,781	\$ 1,691,513	\$ 990,192	(22,415,076)
General revenues:				
Taxes:				
Property taxes				27,314,589
Fire flow taxes				1,093,247
Investment earnings				1,033,285
State and federal grants				149,337
Other revenues				3,462,830
Total general revenues				<u>33,053,288</u>
Change in net position				10,638,212
Net position:				
Net position - beginning				(24,238,569)
Net position - ending				<u>\$ (13,600,357)</u>

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Balance Sheet
Governmental Funds
June 30, 2021

	Major Funds				Total Governmental Funds
	General Fund	North Orinda Emergency Fuel Break	Debt Service	Capital Projects	
ASSETS					
Cash and investments	\$ 10,909,812	\$ -	\$ -	\$ 4,786,647	\$ 15,696,459
Restricted cash and investments	-	-	3,747,327	-	3,747,327
Receivables:					
Taxes	251,686	-	-	-	251,686
Interest	8,853	-	-	1,515	10,368
Ambulance billing, net	788,179	-	-	-	788,179
Other receivable	1,040,919	-	-	135,000	1,175,919
Prepaid items	580,118	-	-	-	580,118
Other assets	22,876	-	-	-	22,876
Restricted pension trust assets	5,582,483	-	-	-	5,582,483
Total assets	\$ 19,184,926	\$ -	\$ 3,747,327	\$ 4,923,162	\$ 27,855,415
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 188,307	\$ -	\$ -	\$ -	\$ 188,307
Salaries and benefits payable	869,368	-	-	-	869,368
Total liabilities	1,057,675	-	-	-	1,057,675
Fund balances:					
Nonspendable for prepaid items	580,118	-	-	-	580,118
Restricted for debt service	-	-	3,747,327	-	3,747,327
Restricted for pension benefits	5,582,483	-	-	-	5,582,483
Committed for encumbrances/ capital projects	-	-	-	4,923,162	4,923,162
Unassigned	11,964,650	-	-	-	11,964,650
Total fund balances	18,127,251	-	3,747,327	4,923,162	26,797,740
Total liabilities and fund balances	\$ 19,184,926	\$ -	\$ 3,747,327	\$ 4,923,162	\$ 27,855,415



Moraga-Orinda Fire Protection District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balances reported on the governmental funds balance sheet \$ 26,797,740

Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the Governmental Funds due to the following:

CAPITAL ASSETS

Capital assets amount reported in governmental activities are not current assets or financial resources and therefore are not reported in the Governmental Funds balance sheet. 12,475,879

OPEB liabilities result in deferred outflows and inflows and pension liabilities result in deferred outflows and inflows of resources associated with the change in estimate of the OPEB and pension, assets, and liabilities.

Deferred outflows	14,295,772	
Deferred inflows	<u>(23,617,621)</u>	(9,321,849)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the Governmental Funds balance sheet.

Interest payable	(153,491)	
Net pension liabilities	(22,360,799)	
Compensated absences	(774,251)	
Net OPEB liabilities	(11,537,795)	
Long term debt	<u>(8,725,791)</u>	<u>(43,552,127)</u>

Net position of governmental activities \$ (13,600,357)

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Statement of Revenues, Expenditures, and Changes in Fund
Balances, Governmental Funds
For the year ended June 30, 2021

	Major Funds				Total Governmental Funds
	General Fund	North Orinda		Capital Projects	
		Emergency Fuel Break	Debt Service		
REVENUES:					
Property taxes	\$ 23,430,278	\$ -	\$ 3,884,311	\$ -	\$ 27,314,589
Fire flow taxes	-	-	-	1,093,247	1,093,247
Use of money and property	1,025,559	-	172	7,554	1,033,285
Intergovernmental	468,048	236,481	-	435,000	1,139,529
Charges for services	343,071	-	-	68,000	411,071
Charges for services - ambulance	1,280,442	-	-	-	1,280,442
Other revenues	3,409,572	-	-	53,258	3,462,830
Total revenues	29,956,970	236,481	3,884,483	1,657,059	35,734,993
EXPENDITURES:					
Fire protection:					
Salaries	9,964,659	5,003	-	-	9,969,662
Overtime	3,452,638	-	-	-	3,452,638
Benefits	7,883,296	175	-	-	7,883,471
OPEB contribution	331,633	-	-	-	331,633
Retiree health insurance	854,258	-	-	-	854,258
Service and supplies	2,693,328	214,436	-	152,714	3,060,478
Capital outlay	-	-	-	8,095	8,095
Debt service:					
Principal	-	-	4,102,690	-	4,102,690
Interest and fiscal charges	-	-	444,651	-	444,651
Total expenditures	25,179,812	219,614	4,547,341	160,809	30,107,576
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,777,158	16,867	(662,858)	1,496,250	5,627,417
OTHER FINANCING SOURCES AND USES:					
Proceeds from sales of capital assets	3,456	-	-	6,796	10,252
Transfers in	447,124	-	922,814	-	1,369,938
Transfers out	-	(446,887)	(237)	(922,814)	(1,369,938)
Total other financing sources	450,580	(446,887)	922,577	(916,018)	10,252
Net change in fund balances	5,227,738	(430,020)	259,719	580,232	5,637,669
FUND BALANCES:					
Beginning of year	12,899,513	430,020	3,487,608	4,342,930	21,160,071
End of year	<u>\$ 18,127,251</u>	<u>\$ -</u>	<u>\$ 3,747,327</u>	<u>\$ 4,923,162</u>	<u>\$ 26,797,740</u>

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2021

Net change in fund balances - total governmental funds \$ 5,637,669

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Governmental Funds report capital outlays as expenditures.

However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense:

Capital asset purchases capitalized	8,095	
Depreciation expense	(928,504)	
Loss on disposal of capital assets	<u>(29,567)</u>	(949,976)

Repayment of debt principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long term liabilities:

Repayment of Pension liabilities bond principal	3,265,000	
Repayment of capital lease liabilities	<u>837,690</u>	4,102,690

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in net pension liability and deferrals	949,044	
Change in long-term compensated absences	(52,194)	
Change in interest payable	87,507	
Change in Net OPEB liabilities and deferrals	<u>863,472</u>	<u>1,847,829</u>

Change in net position of governmental activities \$ 10,638,212

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget
to Actual – General Fund
For the year ended June 30, 2021

	Original Budget	Amended Budget	Actual	Variance With Amended Positive (Negative)
REVENUES:				
Property taxes	\$ 23,105,300	\$ 23,181,832	\$ 23,430,278	\$ 248,446
Use of money and property	35,000	35,000	28,560	(6,440)
Intergovernmental	435,414	518,931	468,048	(50,883)
Charges for services	73,850	210,199	343,071	132,872
Charges for services - ambulance	526,000	965,000	1,280,442	315,442
Other revenues	620,000	3,035,171	3,409,572	374,401
Total revenues	24,795,564	27,946,133	28,959,971	1,013,838
EXPENDITURES:				
Current:				
Fire protection:				
Salaries	10,490,755	10,332,637	9,964,659	367,978
Overtime	1,546,328	3,850,000	3,452,638	397,362
Benefits	8,598,065	8,343,052	7,883,296	459,756
OPEB contribution	475,482	475,482	331,633	143,849
Pension rate stabilization fund	1,562,792	1,562,792	1,562,792	-
Retiree health insurance	925,000	890,000	854,258	35,742
Service and supplies	2,718,122	2,934,783	2,693,328	241,455
Total expenditures	26,316,544	28,388,746	26,742,604	1,646,142
REVENUES OVER EXPENDITURES	(1,520,980)	(442,613)	2,217,367	2,659,980
OTHER FINANCING SOURCES:				
Transfers in	-	237	447,124	446,887
Proceeds from sales of capital assets	500	1,800	3,456	1,656
Total other financing sources	500	2,037	450,580	(448,543)
Net change in fund balances	(1,520,480)	(440,576)	2,667,947	3,108,523
FUND BALANCES:				
Beginning of year	12,899,513	12,899,513	12,899,513	-
End of year	<u>\$ 11,379,033</u>	<u>\$ 12,458,937</u>	15,567,460	<u>\$ 3,108,523</u>
Expenses recognized on non-GAAP budgetary basis			2,559,791	
			<u>\$ 18,127,251</u>	

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget
to Actual – North Orinda Emergency Fuel Break Special Revenue Fund
For the year ended June 30, 2021

	Original Budget	Amended Budget	Actual	Variance With Amended Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 236,481	\$ 236,481
Total revenues	-	-	236,481	236,481
EXPENDITURES:				
Current:				
Fire protection:				
Salaries	-	4,000	5,003	(1,003)
Benefits	-	306	175	131
Service and supplies	-	212,000	214,436	(2,436)
Total expenditures	-	216,306	219,614	(3,308)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(216,306)	16,867	233,173
OTHER FINANCING SOURCES:				
Transfers out	-	-	(446,887)	446,887
Total other financing sources	-	-	(446,887)	446,887
Net change in fund balances	-	(216,306)	(430,020)	680,060
FUND BALANCES:				
Beginning of year	430,020	430,020	430,020	-
End of year	<u>\$ 430,020</u>	<u>\$ 213,714</u>	<u>\$ -</u>	<u>\$ 680,060</u>

The accompanying notes are an integral part of these basic financial statements.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles.

A. Description of the Reporting Entity

The Moraga-Orinda Fire Protection District (District) was incorporated on July 1, 1997 as an independent special district, under the laws and regulations of the State of California (State). The District was formed through the consolidation of the Moraga Fire Protection District and the Orinda Fire Protection District, to provide more efficient fire protection and emergency medical services. The principal act that governs the District is the Fire Protection District Law of 1987.

The District provides fire protection, rescue, and emergency medical services to an area approximately 63 square miles, including the City of Orinda, the Town of Moraga, some unincorporated county areas adjacent to the municipalities, and the community of Canyon. The District also provides automatic aid into Lafayette and State Responsibility Areas that lie within the District's boundaries. A five-member board of directors, elected by voters, governs the District.

As required by GAAP, these financial statements present the primary government and its component unit, an entity for which the government is considered to be financially accountable. This component unit is reported on a blended basis. A blended component unit, although a legally separate entity, is, in substance, part of the government's operations and so data from this unit is combined with data of the primary government. Separate financial statements are not issued for this component unit.

The District's reporting entity includes the following blended component unit:

The Moraga-Orinda Fire Protection District Public Facilities Financing Corporation (Corporation) was established to provide for financing of public capital improvements for the District, the Corporation and other local agencies. The Board of Directors serve as the Governing Board of the Corporation and all accounting and administrative functions are performed by the District, which records all activity of the Corporation as a blended component unit.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. The District had no business-type activities reported.

Amounts reported as *program revenues* include 1) charges to residents for fire protection services, or privileges provided by a given function or segment 2) grants and contributions for fire protection services. All taxes and internally dedicated resources are reported as *general revenues* rather than program revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, deferred inflows, fund balances, revenues, and expenditures.

The District reports the following major governmental funds:

- General Fund
- North Orinda Emergency Fuel Break
- Debt Service Fund
- Capital Projects Fund

These funds are described below.

Governmental Funds

General Fund

The General Fund is the general operating fund of the District. It is used to account for the District's resources which are not required legally or by sound financial management to be accounted for in another fund. The major revenue sources for this fund are property taxes and ambulance service fees. Expenditures are made for the District's general operating expenditures, the fixed charges, and the capital costs that are not paid through other funds.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

North Orinda Emergency Fuel Break Special Revenue Fund

The North Orinda Emergency Fuel Break Special Revenue Fund is used to account for the activities to create a shaded fuel break in North Orinda. Resources are provided by the State of California via a professional services contract. The project is complete. Based on Board direction fund balance generated from the administrative fee in the amount of \$446,887 was transferred to the General Fund and the North Orinda Emergency Fuel Break Special Revenue Fund was closed effective June 30, 2021.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest. Resources are provided by property tax revenue.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the replacement of fire-fighting equipment, software and equipment, apparatus, building upgrades, acquisition and construction of major capital projects. Resources are provided by the fire flow tax and proceeds from debt issuance.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, or other taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 180 days of year-end).

D. Cash Deposits and Investments

The District's cash and cash equivalents are comprised of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District pools cash and investments from all funds for the purpose of increasing income through investment activities. Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. The District currently reports no interfund balances, including receivables and payables at year-end.

F. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, fire flow taxes, intergovernmental subventions, interest earnings, and expense reimbursements.

In the fund financial statements, receivables in governmental funds include revenue accruals such as property tax, fire flow tax, and intergovernmental subventions since they are usually both measurable and available.

The District estimates and records an allowance for doubtful accounts based on prior experience. The District’s allowance for ambulance receivables was \$44,186 as of June 30, 2021.

G. Prepaid Items

Prepaid items represent amounts paid in advance of receiving goods or services. The District has the option of reporting an item in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures when incurred.

H. Capital Assets

The District's capital assets are valued at historical cost or estimated historical cost, if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation. Policy has set the capitalization threshold for reporting at \$5,000 and with a useful life greater than one year.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over assets estimated useful life using the straight-line method of depreciation.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The range of estimated useful lives by type of asset is as follows:

Buildings	30 years
Vehicles	10-25 years
Equipment	5-15 years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources for its pension and OPEB plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources for its pension and OPEB plans.

J. Compensated Absences

Employees accrue vacation, sick, holiday, administrative leave and compensatory time off benefits. District employees have vested interests in the amount of accrued time off, with the exception of sick leave, and are paid on termination. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements and is currently payable. The District had no employee resignations or retirements for which compensated absences should be accrued in governmental funds at year-end. The general fund is used to liquidate compensated absences.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

K. Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the trustee for the Plan. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflow and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

L. Pensions

The District recognizes a net pension liability, which represents the District's proportionate share of the excess of the total pension liability over the fiduciary net position of the Plan reflected in an actuarial report provided by the Contra Costa County Employees' Retirement Association (CCCERA). The net pension liability is measured as of the District's prior Plan year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change in the liability. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred. For the purposes of measuring the net pension liability, deferred outflows, deferred inflows of resources related to pensions and pension expense information about the fiduciary net position of the District's defined benefit pension plan, and additions to/ deductions from fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Net Position/Fund Balance

Government-wide Statements

Equity is classified as net position and is displayed in three components:

- a. *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or by laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned, or unassigned. The classifications for governmental funds are defined as follows by the District’s Fund Balance Policy:

Nonspendable Fund Balance

- Assets that will never convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

Restricted Fund Balance

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (creditors, grantors, contributors and other governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Committed Fund Balance

- Self-imposed limitations set in place prior to the end of the period (encumbrances, economic contingencies and uncertainties).
- Limitation at the highest level of decision-making (Board) that requires formal action at the same level to remove.
- Board Resolution is required to be taken to establish, modify, or rescind a fund balance commitment.
- Fund balance derived from the Fire Flow Tax is committed to pay for District capital improvement projects as approved by the Board of Directors. The amount is equal to the fund balance of the Capital Projects fund.

Assigned Fund Balance

- Amounts in excess of non-spendable, restricted and committed fund balance in funds other than the general fund automatically are reported as assigned fund balance.
- Assigned amounts for a specific purpose are as authorized by the District's Fire Chief or Administrative Services Director through its fund balance policy.

Unassigned Fund Balance

- Residual net resources.
- Total fund balance in the general fund in excess of non-spendable, restricted, committed and assigned fund balance (surplus).
- Excess of non-spendable, restricted and committed fund balance over total fund balance (deficit).



**Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain unrestricted fund balance in its District funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

The District had an unassigned fund balance of 43% of revenue and has not achieved the fund balance it needs to support sound financial position which is a target of 50% reserves to achieve that goal.

N. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

O. Property Tax

The County of Contra Costa is responsible for assessing, collecting and apportioning property taxes for the District. Under California law, property taxes are assessed and collected by the County up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The District recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year-end.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Secured property taxes are levied on or before the first day of September of each year. They become a lien on real property on March 1 preceding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, cost, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1, and become delinquent, if unpaid on August 31.

The District participates in an alternative method of distribution of property tax levies and assessments known as the "Teeter Plan." The State Revenue and Taxation Code allow counties to distribute secured real property, assessment, and supplemental property taxes on an accrual basis resulting in full payment to taxing agencies each fiscal year. Any subsequent delinquent payments and penalties and interest during a fiscal year will revert to the County. The Teeter Plan payment, which includes 95% of the outstanding accumulated delinquency, is included in property tax revenue retained by the County under the revenue neutrality agreement. Under the Teeter Plan Code, 5% of the delinquency must remain with the County as a reserve for Teeter plan funding. The Teeter Plan does not allow the District to earn interest in a meaningful way on its reserves and the District has an objective to develop reserves to allow it to earn interest and go off the teeter plan.

P. Fire Flow Taxes

Fire flow taxes represent a special tax on property on the secured tax roll, collected by the District since its inception in 1997. The fire flow taxes are collected in each of the District's two service zones for the purpose of obtaining, furnishing, operating, and maintaining fire protection, prevention and suppression and emergency medical equipment, apparatus or facilities, including water distribution facilities for fire suppression purposes, for paying the salaries and benefits of firefighting and emergency medical personnel, and for such other fire protection, prevention and suppression and emergency medical expenses as are deemed necessary by the District. For fiscal year 2020-2021, the fire flow tax rate was established at six cents (\$0.06) in Moraga, and six cents (\$0.06) in Orinda.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Budgetary Accounting

The District Board of Directors establishes budgets for the General Fund, Debt Service Fund and Capital Projects Fund. Budgetary control is legally maintained at the fund level for these funds. The budget includes appropriations (budgeted expenditures) on a line-item basis and the means of financing them (budgeted revenues.) The coordinators of the Budget are the Fire Chief, Administrative Services Director or designee(s), with direct support from each division in the District.

Budget development begins with a mid-year Budget review in January or during a month selected by the Fire Chief. The mid-year review is a detailed analysis of District revenue and expenditure line items for the current fiscal year. The District fiscal year is from July 1 through June 30 of the next calendar year. The mid-year review is published and distributed to the Board, staff and general public for consideration during the month of January or during a month selected by the Fire Chief. The mid-year financial analysis provides the starting point for next fiscal year's Budget.

Administrators receive a written Budget Packet and a written Budget Timeline in February that provides detailed instructions and deadlines for the Budget process. Administrators meet with the Fire Chief or designated representative and submit the following for the next fiscal year: 1) goals and objectives, 2) preliminary Budget requests, 3) personnel requests and 4) capital equipment requests. During this time, revenue sources are projected by Administrative Services Division staff.

A draft Budget is compiled for review by the Fire Chief, Administrative Services Director or designated representative(s). Individual meetings with each division are held with the Fire Chief or designated representative as deemed necessary by the Fire Chief. Programs, projects and staffing are reviewed in these sessions and approval is dependent on available funding and Fire Chief's recommendation.

After deliberation and final changes, the Budget is adopted by the Board of Directors. Preferably the Budget is adopted in June, prior to the beginning of the next fiscal year. In the event of unusual circumstances, the Budget may be adopted after the beginning of the fiscal year. Regardless, in accordance with Health and Safety Code Section 13895, the final Budget is adopted by October 1 of each fiscal year.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Formal budgetary integration is employed as a management control device during the year for all funds. Budgeted and actual revenues and expenditures are reviewed monthly by the Board and budget amendments and transfers are made as needed. The Accountant monitors appropriations on a division basis and conveys this information to the Fire Chief who can approve appropriation transfers so long as appropriations in total by fund do not change. This approach allows the Fire Chief to hold division heads accountable. The District reports expenditures and appropriations on a line-item basis to the Board which is the budgetary level of control.

Only the Board may approve amendments to appropriations in total by fund. This approach allows the Board to hold the Fire Chief accountable for the overall District operations.

Budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. Budgeted amounts presented in the financial statements are as originally adopted and as amended by the Board. Supplemental amendments to the budget were adopted by the Board and have been included in the budget to actual statements.

R. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS

At June 30, 2021, the District's pooled cash and investments, classified by maturity, consisted of the following stated at fair value:

	Balance
	June 30, 2021
Cash in bank	\$ 695,479
Cash with Contra Costa County	1,288,721
Petty cash	200
State of California Local Agency Investment Fund (LAIF)	13,712,059
Total unrestricted cash equivalents and investments	<u>15,696,459</u>
Restricted pension stabilization fund	5,582,483
Restricted investments for debt service	3,747,327
Total cash and investments	<u>\$ 25,026,269</u>

California statutes authorize governments to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. For the year ended June 30, 2021, the District's permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity
U.S. Treasury Obligations	5 Years
U.S. Agency Securities	5 Years
Insured or Collateralized Certificates of Deposit	5 Years
State of California Local Agency Investment Fund	N/A
Local Government Investment Pools	N/A
Money Market Funds	N/A
Passbook Savings and Money Market Accounts	N/A

Interest Rate Risk – In accordance with its investment policy, the District manages its exposures to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 5 years.

Credit Risk – The State of California Local Agency Investment Fund is not rated. As of June 30, 2021 the District's restricted investments were comprised of \$3,747,327 in money market funds.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

Concentration of Credit Risk – The investments made by the District are limited to those allowable under State statutes as incorporated into the District’s Investment Policy, which is accepted annually by the District Board. There were no concentrations in any one issuer for the year.

The District participates in an investment pool managed by Contra Costa County. The County’s investments are subject to credit risk with the full faith and credit of Contra Costa County collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

The District participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF). LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Custodial Credit Risk – deposits. For deposits, this is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District’s Investment Policy addresses custodial credit risk, which follows the Government Code. Any uninsured bank balance is collateralized by the pledging financial institutions at 110% of the deposits, in accordance with the State of California Government Code.

At June 30, 2021, the carrying amount of the District’s deposits was \$695,479 and the balances in financial institutions were \$769,852. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$519,852 was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

Custodial Credit Risk – investments. For investments, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside counterparty. None of the District’s investments were subject to investment custodial credit risks.

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF, although not registered with the SEC, is a special fund of the California State Treasury through which local governments may pool investments and is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The District had a balance of \$13,712,059 which approximated fair value and was managed by the State Treasurer. The Board consists of five members as designated by State Statute.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2021:

	Balance
	June 30, 2021
Taxes	\$ 251,686
Interest	10,368
Ambulance billing	788,179
Other receivable	1,175,919
	<u>\$ 2,226,152</u>



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Governmental activities:				
Nondepreciable assets:				
Land	\$ 502,000	\$ -	\$ -	\$ 502,000
Total nondepreciable assets	502,000	-	-	502,000
Depreciable assets:				
Buildings	11,387,495	-	-	11,387,495
Improvements	865,759	-	-	865,759
Equipment	1,973,350	-	(93,705)	1,879,645
Vehicles	7,457,438	8,095	(156,086)	7,309,447
Total depreciable assets	21,684,042	8,095	(249,791)	21,442,346
Total	\$ 22,186,042	\$ 8,095	\$ (249,791)	\$ 21,944,346
Accumulated depreciation:				
Buildings	\$ 4,108,208	\$ 333,073	\$ -	\$ 4,441,281
Improvements	499,144	54,831	-	553,975
Equipment	1,052,445	159,669	(64,138)	1,147,976
Vehicles	3,100,390	380,931	(156,086)	3,325,235
Total accumulated depreciation	8,760,187	928,504	(220,224)	9,468,467
Total net capital assets	\$ 13,425,855	\$ (920,409)	\$ (29,567)	\$ 12,475,879

Depreciation expense for capital assets was charged to functions as follows:

	Balance June 30, 2021
Fire protection - operations	\$ 928,504



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2021:

	Balance
	June 30, 2021
Accounts payable and accrued liabilities	\$ 188,307
Salaries and benefits payable	869,368
Total	<u>\$ 1,057,675</u>

6. LONG-TERM LIABILITIES

The District's long-term liabilities consist of taxable pension obligation bonds, lease obligations and compensated absences. The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2021:

	Balance			Balance	Due Within
	July 1, 2020	Additions	Retirements	June 30, 2021	One Year
Pension obligation bonds	\$ 8,520,000	\$ -	\$ (3,265,000)	\$ 5,255,000	\$ 3,610,000
Lease/purchase	4,308,481	-	(837,690)	3,470,791	853,792
Total debt	12,828,481	-	(4,102,690)	8,725,791	4,463,792
Compensated absences	722,057	682,194	(630,000)	774,251	648,900
Total long-term liabilities	<u>\$ 13,550,538</u>	<u>\$ 682,194</u>	<u>\$ (4,732,690)</u>	<u>\$ 9,500,042</u>	<u>\$ 5,112,692</u>

Pension Obligation Bonds

On October 6, 2005, the District issued taxable Pension Obligation Bonds in the amount of \$28,435,000. The bonds bear a fixed annual interest rate of 5.22%. Principal amounts are paid in annual installments on July 1 and interest payments are due semi-annually on July 1 and January 1. The bonds will mature on July 1, 2022.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. LONG-TERM LIABILITIES, Continued

2016 and 2017 Lease/Purchase Agreement – Direct Borrowing

On May 1, 2016 the District entered into a lease/purchase agreement in the amount of \$4,069,000 for the construction, renovation and equipping of Station 43 in Orinda, California. The agreement bears a fixed annual interest rate of 2.14%. Principal and interest amounts are paid in semi-annual installments on October 1 and April 1. The agreement matures on April 1, 2031.

On May 30, 2017 the District entered into a lease/purchase agreement in the amount of \$2,855,000 for the construction and purchase of one fire truck, two fire engines, and two ambulances. The agreement bears a fixed annual interest rate of 1.899%. Principal and interest amounts are paid in semi-annual installments on November 30 and May 30. The agreement matures on May 30, 2022.

The following is the debt service obligations of the District:

Year Ending June 30	Pension Obligation Bond		2016 Lease/Purchase Agreement	
	Principal	Interest	Principal	Interest
2022	\$ 3,610,000	\$ 180,090	\$ 261,000	\$ 60,198
2023	1,645,000	42,935	267,000	54,570
2024	-	-	272,000	48,835
2025	-	-	278,000	42,982
2026	-	-	284,000	37,001
2027-2031	-	-	1,516,000	90,608
Total	\$ 5,255,000	\$ 223,025	\$ 2,878,000	\$ 334,194
Due within one year	\$ 3,610,000	\$ 180,090	\$ 261,000	\$ 60,198
Due after one year	1,645,000	42,935	2,617,000	273,996
Total	\$ 5,255,000	\$ 223,025	\$ 2,878,000	\$ 334,194

Year Ending June 30	2017 Lease/Purchase Agreement	
	Principal	Interest
2022	\$ 592,792	\$ 8,458
Total	\$ 592,792	\$ 8,458
Due within one year	\$ 592,792	\$ 8,458
Due after one year	-	-
Total	\$ 592,792	\$ 8,458



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. LONG-TERM LIABILITIES, Continued

Year Ending June 30	Total	
	Principal	Interest
2022	\$ 4,463,791	\$ 248,746
2023	1,912,000	97,505
2024	272,000	48,835
2025	278,000	42,982
2026	284,000	37,001
2027-2031	1,516,000	90,608
Total	<u>\$ 8,725,791</u>	<u>\$ 565,677</u>
Due within one year	\$ 4,463,791	\$ 248,746
Due after one year	4,262,000	316,931
Total	<u>\$ 8,725,791</u>	<u>\$ 565,677</u>

Compensated Absences

The District records employee absences, such as vacations, illness, deferred overtime, and holidays, for which it is expected that employees will be paid compensated absences. As of June 30, 2021, the District had a compensated absences balance of \$774,251.

7. NET POSITION/FUND BALANCES

Net Position

As of June 30, 2021, net position is as follows:

Net Position	June 30, 2021
Net investment in capital assets	\$ 9,005,088
Restricted for debt service	3,593,836
Unrestricted (deficit)	<u>(26,199,281)</u>
Total	<u>\$ (13,600,357)</u>

Restricted balances are for the same purposes as fund balance restrictions because external restriction requirements are the same. See descriptions of the restrictions on the following page.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. NET POSITION/FUND BALANCES, Continued

Fund Balance

As of June 30, 2021, the District's Restricted and Committed fund balances are as follows:

Fund Balances	June 30, 2021
Nonspendable prepaid retirement	\$ 580,118
Restricted for debt service	3,747,327
Restricted for pension benefits	5,582,483
Committed for capital projects	4,923,162
Unassigned	11,964,650
Total	<u>\$ 26,797,740</u>

The following describes the purpose of each restriction and commitment account used by the District:

Nonspendable

- **General Fund** – represents a non-spendable prepaid portion of employer contributions to Contra Costa County Employees Retirement Association (CCCERA).

Restricted

- **Debt Service** – represents amounts restricted for repayment of principal and payment of interest in the next calendar year of the District's Taxable Pension Obligation Bonds.
- **Pension Benefits** – represents amounts restricted for payment of pension liabilities.

Committed

- **Capital Projects** – used to represent that portion of fund balance committed for capital construction and purchases. All balances reported in the Capital Projects Fund are committed for this purpose. This amount can only be changed by Board Resolution.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. NET POSITION/FUND BALANCES, Continued

The District considers restricted amounts to have been spent prior to unrestricted amounts when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, and unassigned amounts, in this order, are considered to have been spent when an expenditure is incurred for which amounts in any of those unrestricted fund balance classifications could be used.

8. RISK MANAGEMENT

The District is a member of the Fire Agencies Insurance Risk Authority (FAIRA), a public agency Joint Powers Authority (JPA) providing insurance risk management services tailored to meet only specific needs of fire and emergency service agencies in the states of California and Nevada.

The FAIRA Joint Powers Authority is owned entirely by participating fire protection districts and agencies, and functions solely for their benefit. The District participates in the following FAIRA coverage:

Property

Property coverage is for direct physical loss or damage to real and personal properties. In addition, the carrier will pay for actual loss of income and necessary expenses incurred during the period of restoration for up to one year if the insured operation is interrupted as a result of direct physical loss or damage to real or personal properties. The District has a deductible of up to \$5,000 per occurrence and a coverage limit of the guaranteed replacement cost of the Real or Personal Property. More detailed information regarding sub-limits is given in the District's FAIRA policy.

Crime

Coverage is provided for dishonest acts committed by an employee, forgery or alteration of checks, drafts, losses arising out of the failure of an individual to perform duties, loss or damage resulting from computer fraud. The District is covered for up to \$1,000,000 for any criminal loss, with a deductible of \$5,000.

General Liability

General liability covers bodily injury and property damage, personal injury and advertising injury, professional healthcare liability or medical expense. The District has no deductible and a coverage limit of up to \$1,000,000 for each occurrence, \$10,000 for medical expense, and annual aggregate limit of \$10,000,000.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

8. RISK MANAGEMENT, Continued

Management Liability

Management liability covers monetary damages as a result of wrongful act arising out of employment related practices, administration of employee benefit plans and other wrongful acts. Coverage includes wrongful termination, sexual harassment, public officials' errors and omissions. For each wrongful act, the District pays the first \$5,000 and the insurance covers the remaining up to \$1,000,000 for each wrongful act and \$10,000,000 annual aggregate limit.

Automobile Coverage

Covers bodily injury, property damage and automobile physical damage resulting from an accident involving vehicles such as fire engines, pumpers, ambulances, paramedic vans, rescue vans, private passenger and other vehicles. The insurance covers up to \$1,000,000 for bodily injury, property damage, and uninsured/underinsured motorists.

The insurance covers direct physical loss or damage to automobiles in the event of fire, lightning, explosion, theft, windstorm, hail, earthquake, flood, mischief, vandalism, or the sinking, burning, collision or derailment of any conveyance transporting the covered automobile and collision, resulting from collision with another object, or overturn. The insurance covers the agreed value of Emergency Response/Antique vehicles and the actual cash value of Private Passenger, Service Vehicles, Trailers, and Other Non-Emergency Vehicles. The deductible is up to \$3,000 depending on the vehicle. Amounts of settlements have not exceeded insurance coverage in the past three years.

A summary of the District's insurance coverage under FAIRA is as follows:

Coverage	Insurance Company/ Pool	Limit of Liability	Deductible/Self Insured Retention
Property	FAIRA	Guaranteed Replacement Cost Up to 12 months loss of income/additional expense \$5,000,000 earthquake sprinkler leakage	Up to \$5000
Crime	FAIRA	\$1,000,000 for all crime	\$1,000
Portable Equipment	FAIRA	Guaranteed Replacement Cost	\$1,000
General Liability	FAIRA	\$1,000,000 each occurrence \$10,000 medical expenses each accident	None
Management	FAIRA	\$1,000,000 each wrongful act	\$5,000
Automobile	FAIRA	\$1,000,000 bodily injury Agreed value/FMV auto damage	\$10,000 medical Up to \$3000



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

9. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”)

At June 30, 2021, net OPEB liability and related deferred outflows of resources are as follows:

	Governmental Activities
Deferred inflows of resources	<u>\$ 2,038,874</u>
Deferred outflows of resources	<u>\$ 22,361</u>
Net OPEB liabilities	<u>\$ 11,537,795</u>

A. Plan Description

In addition to the retirement plan described in Note 11, the Moraga-Orinda Fire District Retiree Health Insurance Program ("OPEB Plan") provides access to lifetime healthcare benefits to eligible retirees and their dependents. The District administers a single-employer defined-benefit post-employment healthcare plan. Benefits vary by hire date, employment status and employment classification. Benefits continue to the surviving spouses. Eligibility for retiree health benefits requires direct retirement from the District under CCCERA.

Eligible employees who were hired prior to April 15, 2014 (July 2, 2014 for Battalion Chiefs and July 1, 2014 for unrepresented), receive 100% of medical and dental premiums, subject to the District Cap. The Medical Cap is as follows:

	<u>Unrepresented</u>	<u>All Others</u>
Single	\$ 575.55	\$ 458.42
Single +1	1,151.10	916.82
Family	1,496.11	1,191.87

Eligible employees hired after the dates listed above will receive the PEMHCA minimum benefit.

B. Eligibility

Employees are eligible to participate in the District’s Plan if they retire directly from the District under CCCERA with ten years of CCCERA service (there is a five-year service requirement if retirement is due to a service-connected disability.) Since PEMHCA is a community rated plan for most employers, an implied subsidy is reflected. The District does not provide vision, life, or Medicare Part B reimbursement to retirees.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”), Continued

Membership of the District as of the valuation date consisted of the following:

Active plan members	66
Inactive employees or beneficiaries currently receiving benefit payments	149
Total	<u>215</u>

C. Contribution

The obligation of the District to contribute to the plan is based on an actuarially determined rate. For the fiscal year ended June 30, 2021, the District’s expected contribution rate was 14.53 percent of covered-employee payroll.

D. Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

E. Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	6.14%
Inflation	1.75%
Aggregate salary increases (Individual salary increases based on CalPERS)	3.00%
Investment rate of return	6.14%
Mortality rates	Based on CalPERS tables
Mortality improvement scale	
Healthcare cost trend rate	6.5% in the first year, trending down to 4.04% over 56 years



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”), Continued

F. Discount Rate

The discount rate used to measure the total OPEB Liability was 6.14%. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity - Large Cap Core	39.50%	6.80%
Equity - Mid Cap Core	7.50%	7.10%
Equity - Small Cap Core	10.50%	7.90%
Equity - Real Estate	2.00%	6.60%
Equity - International	10.25%	7.30%
Equity - Emerging Markets	5.25%	7.30%
Fixed Income - Short-Term Bonds	3.00%	3.30%
Fixed Income - Intermediate-Term Bonds	16.00%	3.90%
Fixed Income - High Yield	1.00%	6.10%
Cash	5.00%	2.40%
Total	100.00%	



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”), Continued

G. Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at June 30, 2020	\$ 16,234,172	\$ 1,999,673	\$ 14,234,499
Changes recognized for year:			
Service cost	374,830	-	374,830
Interest	1,001,281	-	1,001,281
Difference between expected and actual experience	(1,388,072)	-	(1,388,072)
Changes of assumptions	(558,808)	-	(558,808)
Contributions:			
Employer - District's Contribution	-	1,185,891	(1,185,891)
Employer - Implicit Subsidy	-	322,747	(322,747)
Net investment income	-	630,935	(630,935)
Benefit payments, including refunds of employee contributions	(854,258)	(854,258)	-
Implicit rate subsidy fulfilled	(322,747)	(322,747)	-
Administrative expenses	-	(13,638)	13,638
Net changes	(1,747,774)	948,930	(2,696,704)
Balance at June 30, 2021	\$ 14,486,398	\$ 2,948,603	\$ 11,537,795

H. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (5.14%) or one percentage point higher (7.14%) than the current rate:

Plan's Net OPEB Liability		
Discount Rate -1% (5.14%)	Current Discount Rate (6.14%)	Discount Rate +1% (7.14%)
\$ 13,039,093	\$ 11,537,795	\$ 10,259,295



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”), Continued

I. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates:

Plan's Net OPEB Liability		
Trend Rate -1% (5.50% decreasing to 3.04%)	Healthcare Cost Trend Rates (6.50% decreasing to 4.04%)	Trend Rate +1% (7.50% decreasing to 5.04%)
\$ 11,035,650	\$ 11,537,795	\$ 12,169,580

J. OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$645,166. At June 30, 2021, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred (inflows) of resources
Difference Between Expected and Actual Experience in the Total OPEB Liability	\$ 22,361	\$ (1,149,110)
Changes of Assumptions	-	(537,416)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	(352,348)
Total	\$ 22,361	\$ (2,038,874)



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”), Continued

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The difference between projected and actual experience will be amortized over the expected average service lifetime of 10.0 years.

Amount reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Fiscal Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ (620,863)
2023	(582,355)
2024	(542,445)
2025	(270,850)
	\$ (2,016,513)

11. PENSION PLAN

A. General Information about the Pension Plan

Plan Descriptions - Substantially, all qualified permanent and probationary District employees are eligible to participate in pension plans, either Safety (law enforcement, fire suppression, and certain others) or General (all other), offered by Contra Costa County Employees’ Retirement Association (CCCERA), a cost sharing multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and County resolution. CCCERA provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

B. Benefits Provided - CCCERA provides service retirement and disability benefits, annual cost of living adjustments and death benefits to eligible employees. Benefits are based on years of credited service, equal to one year of full-time employment. Funding contributions for the Plan are determined annually on an actuarial basis by CCCERA; the District must contribute these amounts.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

11. PENSION PLAN, Continued

The Plan's provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<u>Safety</u>	<u>Non-Safety</u>
Benefit vesting schedule	5 years	5 years
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 or 57	55 or 67
Required employee contribution rates	15.59% - 21.99%	7.82% - 15.44%
Required employer contribution rates	72.57%, 63.39% new hires	25.93%, 22.74% new hires
Monthly benefits as percentage of annual salary	3%, 2.7% new hires	2%, 2.5% new hires

C. Contributions - The District is required to contribute at an actuarially determined rate which is established and may be amended by the CCCERA Board. The amount is actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's contributions for the year ended June 30, 2021 was \$5,278,641, which was equal to the required contributions for current fiscal year.

D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - At June 30, 2021, the District reported a liability of \$22,360,799 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the District's proportion was 4.846%, which was increase from its proportion measured as of December 31, 2019 of 3.094%

For the year ended June 30, 2021, the District recognized pension expense of \$4,329,598.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

11. PENSION PLAN, Continued

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
	<u> </u>	<u> </u>
Pension contributions paid to CCCERA subsequent to measurement date	\$ 2,639,321	\$ -
Difference between expected and actual experience in the Total Pension Liability	4,139,271	(567,266)
Change in assumptions	-	(2,227,367)
Changes in proportion and differences between employer's contributions	7,494,819	(2,663,315)
Net excess of projected over actual earnings on pension plan investments	-	(16,120,799)
Total	<u>\$ 14,273,411</u>	<u>\$ (21,578,747)</u>

\$2,639,321 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2022	\$ (3,824,161)
2023	1,436,571
2024	(5,872,284)
2025	(1,684,783)
	<u>\$ (9,944,657)</u>



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

11. PENSION PLAN, Continued

E. Actuarial Assumptions - The Total Pension Liabilities as of December 31, 2020 were determined by actuarial valuation as of December 31, 2020. The actuarial assumptions used were based on the results of an experience study for the period from January 1, 2015 through December 31, 2017. In particular, the following actuarial assumptions were applied to all periods included in the measurement of the December 31, 2020 actuarial valuation:

Inflation	2.75%
Salary increases	Non-safety: 3.75% to 15.25% and Safety: 4.25% to 16.25%
Investment rate of return	7.00%
Valuation date	December 31, 2018
Measurement date	December 31, 2020
Actuarial cost method	Entry-Age Actuarial Cost Method

A complete copy of the Actuarial Valuation Summary is available in separately issued financial statements of the plan which can be obtained from CCCERA located at 1200 Concord Avenue, Suite 300, Concord, CA 94520.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. This return is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Large Cap. U.S. Equity	5.00%	5.44%
Developed International Equity	13.00%	6.54%
Emerging Markets Equity	11.00%	8.73%
Short-Term Govt./Credit	23.00%	0.84%
U.S. Treasury	3.00%	1.05%
Private Equity	8.00%	9.27%
Risk Diversifying	7.00%	3.53%
Global Infrastructure	3.00%	7.90%
Private Credit	12.00%	5.80%
REIT	1.00%	6.80%
Value Add Real Estate	5.00%	8.80%
Opportunistic Real Estate	4.00%	12.00%
Risk Parity	5.00%	5.80%
Total	100.00%	



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
Notes to Basic Financial Statements
For the year ended June 30, 2021

11. PENSION PLAN, Continued

F. Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of December 31, 2020 and as of December 31, 2019. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the Total Pension Liability as of December 31, 2020.

G. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability as of December 31, 2020, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability as of December 31, 2020	\$ 51,099,188	\$ 22,360,799	\$ (1,181,481)

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

Payable to the Pension Plan - At June 30, 2021, there were no significant payables due to the pension plan.

The District's proportionate share of total pension liability and fiduciary net position of the plan is as follows:

	District's Proportionate Share
Total Pension Liability	\$ 215,837,828
Fiduciary Net Position	193,477,029
Net Pension Liability	<u>\$ 22,360,799</u>



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021
Notes to Basic Financial Statements

12. COMMITMENTS AND CONTINGENCIES

The District is a party to claims and lawsuits arising in the ordinary course of business. The District's management and legal counsel are of the opinion that the ultimate liability, if any, arising from these claims will not have material adverse impact on the financial position of the District. The District participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

13. NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance related to fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The provisions of this Statement have been implemented as of June 30, 2021.

GASB Statement No. 90 – In September 2018, the GASB issued Statement No. 90, *Majority Equity Interests, An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The provisions of this Statement have been implemented as of June 30, 2021.

New Accounting Pronouncements – Effective in Future Fiscal Years

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2020, or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021
Notes to Basic Financial Statements

13. NEW ACCOUNTING PRONOUNCEMENTS, Continued

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020 or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement is to establish accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except for the requirement relating to Statement 87 and Implementation Guide 2019-3; reinsurance recoveries, and terminology used to refer to derivative instruments which are effective upon issuance. The District is evaluating the impact of this Statement on the financial statements.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021
Notes to Basic Financial Statements

13. NEW ACCOUNTING PRONOUNCEMENTS, Continued

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement is to address those and other accounting and reporting implications resulting from the replacement of an IBOR by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced and providing clarification to the hedge accounting termination provisions, removing LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap and providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022 or FY 2023/2024. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this Statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021
Notes to Basic Financial Statements

13. NEW ACCOUNTING PRONOUNCEMENTS, Continued

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objective of this Statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.



Moraga-Orinda Fire Protection District
Required Supplementary Information – Pension Schedule of
Contributions ¹⁾
Contra Costa County Employees’ Retirement Association (CCCERA)
Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution (actuarially determined)	\$ 5,278,641	\$ 5,034,354	\$ 4,623,330	\$ 4,677,312
Contributions in relation to the actuarially determined contributions	<u>5,278,641</u>	<u>5,034,354</u>	<u>4,623,330</u>	<u>4,677,312</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 9,726,290	\$ 9,212,842	\$ 8,632,117	\$ 8,395,829
Contributions as a percentage of covered payroll	54.3%	54.6%	53.6%	55.7%

Notes to Schedule

1) Covered payroll represents compensation earnable and pensionable compensation.

* Information prior to the implementation of the pension standards is not available.

2017	2016	2015	2014*
\$ 4,395,376	\$ 4,063,149	\$ 4,517,403	\$ 3,107,945
<u>4,395,376</u>	<u>4,063,149</u>	<u>4,517,403</u>	<u>3,107,945</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,347,757	\$ 6,858,003	\$ 6,966,539	\$ 7,871,587
59.8%	59.2%	64.8%	39.5%



Moraga-Orinda Fire Protection District
Required Supplementary Information – Schedule of the District’s
Proportionate Share of the Net Pension Liability
Contra Costa County Employees’ Retirement Association (CCCERA)
Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Proportion of the net pension liability	4.846%	3.094%	2.410%
Proportionate share of the net pension liability	\$ 22,360,799	\$ 26,734,009	\$ 34,418,805
Covered payroll	\$ 9,177,332	\$ 8,317,080	\$ 8,139,433
Net pension liability as percentage of covered payroll	243.65%	321.44%	422.86%
Plan fiduciary net position as a percentage of the total pension liability	89.64%	87.02%	82.47%
Measurement Date	12/31/2020	12/31/2019	12/31/2018

Notes to Schedule:

1) Covered payroll represents compensation earnable and pensionable compensation.

* Information prior to the implementation of the pension standards is not available.

2018	2017	2016	2015	2014*
2.896%	2.326%	2.608%	2.393%	2.393%
\$ 23,498,575	\$ 32,569,913	\$ 39,299,357	\$ 28,612,847	\$ 35,211,427
\$ 7,960,215	\$ 7,347,757	\$ 6,858,003	\$ 7,350,163	\$ 7,353,174
295.20%	443.26%	573.04%	389.28%	478.86%
87.85%	82.41%	78.77%	83.79%	80.06%
12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013



Moraga-Orinda Fire Protection District
Required Supplementary Information - Schedule of the District's
OPEB Contributions
Last Ten Fiscal Years

	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>
Actuarially determined contribution	\$ 1,579,380	\$ 1,586,650	\$ 1,613,502	\$ 1,530,343
Contributions in relation to the actuarially determined contribution	(1,508,638)	(1,586,650)	(1,613,502)	(1,502,797)
Contribution deficiency (excess)	<u>\$ 70,742</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,546</u>
Covered payroll	\$ 10,381,499	\$ 9,212,842	\$ 8,632,117	\$ 6,987,356
Contributions as a percentage of covered-employee payroll	14.53%	17.22%	18.69%	21.51%

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 1,485,776	\$ 1,292,000	\$ 1,238,000	\$ 1,187,000	\$ 2,447,000	\$ 2,274,000
(1,371,290)	(953,224)	(969,770)	(896,659)	(937,777)	(898,937)
\$ 114,486	\$ 338,776	\$ 268,230	\$ 290,341	\$ 1,509,223	\$ 1,375,063
\$ 7,872,287	\$ 7,288,000	\$ 7,208,000	\$ 6,981,000	\$ 7,171,000	\$ 7,274,000
17.42%	13.08%	13.45%	12.84%	13.08%	12.36%



Moraga-Orinda Fire Protection District
Required Supplementary Information – Schedule of the District’s
Changes in Net OPEB Liability
Last Ten Years*

	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2017*
Total OPEB Liability					
Service cost	\$ 374,830	\$ 372,506	\$ 423,862	\$ 459,818	\$ 446,425
Interest	1,001,281	999,685	1,076,764	946,716	929,839
Differences between expected and actual experience	(1,388,072)	14,954	(274,383)	238,065	-
Change of assumptions	(558,808)	(188,887)	(23,351)	-	-
Benefit payments	(854,258)	(874,316)	(871,208)	(821,298)	(827,604)
Implicit rate subsidy fulfilled	(322,747)	(298,745)	(334,561)	(307,499)	(287,686)
Net change in total OPEB liability	(1,747,774)	25,197	(2,877)	515,802	260,974
Total OPEB liability - beginning of year	16,234,172	16,208,975	16,211,852	15,696,050	15,435,076
Total OPEB liability - end of year (a)	\$ 14,486,398	\$ 16,234,172	\$ 16,208,975	\$ 16,211,852	\$ 15,696,050
Plan Fiduciary Net Position					
Net investment income	\$ 630,935	\$ 91,213	\$ 73,072	\$ 36,771	\$ 41,863
Contributions					
Employer - explicit subsidy	1,185,891	1,433,424	1,278,941	1,195,298	1,083,604
Employer - implicit subsidy	322,747	298,745	334,561	307,499	287,686
Benefit payments	(854,258)	(874,316)	(871,208)	(821,298)	(827,604)
Implicit rate subsidy fulfilled	(322,747)	(298,745)	(334,561)	(307,499)	(287,686)
Administrative expense	(13,638)	(8,986)	(4,595)	(1,576)	(1,367)
Net change in plan fiduciary net position	948,930	641,335	476,210	409,195	296,496
Plan fiduciary net position - beginning of year	1,999,673	1,358,338	882,128	472,933	176,437
Plan fiduciary net position - end of year (b)	2,948,603	1,999,673	1,358,338	882,128	472,933
District's net OPEB liability - end of year = (a) - (b)	\$ 11,537,795	\$ 14,234,499	\$ 14,850,637	\$ 15,329,724	\$ 15,223,117
Plan fiduciary net position as a percentage of the total OPEB liability	20.35%	12.32%	8.38%	5.44%	3.01%
covered-employee payroll	\$ 10,381,499	\$ 9,212,842	\$ 8,632,117	\$ 6,987,356	\$ 7,872,287
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017

Notes to schedule:

* Information prior to the implementation of the OPEB standards is not available.



Moraga-Orinda Fire Protection District
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget to Actual – Debt Service Fund
For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance With Amended Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 3,884,311	\$ 3,884,311	\$ 3,884,311	\$ -
Use of money and property	500	500	172	(328)
Total revenues	<u>3,884,811</u>	<u>3,884,811</u>	<u>3,884,483</u>	<u>(328)</u>
EXPENDITURES:				
Debt service:				
Principal	4,102,689	4,102,689	4,102,690	(1)
Interest	444,786	444,786	444,651	135
Total expenditures	<u>4,547,475</u>	<u>4,547,475</u>	<u>4,547,341</u>	<u>134</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(662,664)</u>	<u>(662,664)</u>	<u>(662,858)</u>	<u>(194)</u>
OTHER FINANCING SOURCES:				
Transfers in	922,948	922,948	922,814	(134)
Transfers out	-	-	(237)	(237)
Total other financing sources	<u>922,948</u>	<u>922,948</u>	<u>922,577</u>	<u>(371)</u>
Net change in fund balances	<u>260,284</u>	<u>260,284</u>	<u>259,719</u>	<u>(565)</u>
FUND BALANCES:				
Beginning of year	<u>3,487,608</u>	<u>3,487,608</u>	<u>3,487,608</u>	<u>-</u>
End of year	<u>\$ 3,747,892</u>	<u>\$ 3,747,892</u>	<u>\$ 3,747,327</u>	<u>\$ (565)</u>



Moraga-Orinda Fire Protection District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual – Capital Projects Fund
For the year ended June 30, 2021

	Original Budget	Amended Budget	Actual	Variance With Amended Positive (Negative)
REVENUES:				
Fire flow taxes	\$ 1,088,000	\$ 1,088,000	\$ 1,093,247	\$ 5,247
Use of money and property	10,000	10,000	7,554	(2,446)
Intergovernmental	-	600,000	435,000	(165,000)
Charges for services	-	-	68,000	68,000
Other revenues	-	53,258	53,258	-
Total revenues	1,098,000	1,751,258	1,657,059	(94,199)
EXPENDITURES:				
Service and supplies	14,200	314,200	152,714	161,486
Capital outlay	-	373,850	8,095	365,755
Total expenditures	14,200	688,050	160,809	527,241
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,083,800	1,063,208	1,496,250	433,042
OTHER FINANCING SOURCES:				
Transfers out	(922,948)	(922,948)	(922,814)	134
Proceeds from sale of assets	-	-	6,796	6,796
Total other financing sources	(922,948)	(922,948)	(916,018)	6,930
Net change in fund balances	160,852	140,260	580,232	439,972
FUND BALANCES:				
Beginning of year	4,342,930	4,342,930	4,342,930	-
End of year	<u>\$ 4,503,782</u>	<u>\$ 4,483,190</u>	<u>\$ 4,923,162</u>	<u>\$ 439,972</u>



Moraga-Orinda Fire Protection District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and footnotes says about the District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant revenue source, the property tax.

Debt Capacity

These schedules contain information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



Moraga-Orinda Fire Protection District
Net Position by Component
Last Ten Fiscal Years
For the year ended June 30, 2021

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015*</u>
Governmental activities:				
Net investment in capital assets	\$ 9,081,906	\$ 9,314,274	\$ 9,930,092	\$ 9,466,042
Restricted	-	2,037,710	2,206,339	2,812,780
Unrestricted (deficit)	<u>1,330,209</u>	<u>(2,697,070)</u>	<u>(2,337,332)</u>	<u>(56,768,462)</u>
Total governmental activities net position	<u>\$ 10,412,115</u>	<u>\$ 8,654,914</u>	<u>\$ 9,799,099</u>	<u>\$ (44,489,640)</u>

* Implemented GASB 68

2016	2017	2018	2019	2020	2021
\$ 8,327,292	\$ 7,318,954	\$ 7,683,689	\$ 8,501,486	\$ 9,117,374	\$ 9,005,088
12,655,893	2,955,444	3,317,901	2,924,711	3,246,610	3,593,836
<u>(60,767,871)</u>	<u>(52,888,825)</u>	<u>(47,724,303)</u>	<u>(42,911,719)</u>	<u>(36,602,553)</u>	<u>(26,199,281)</u>
<u>\$ (39,784,686)</u>	<u>\$ (42,614,427)</u>	<u>\$ (36,722,713)</u>	<u>\$ (31,485,522)</u>	<u>\$ (24,238,569)</u>	<u>\$ (13,600,357)</u>



Moraga-Orinda Fire Protection District
Changes in Net Position
Last Ten Fiscal Years
For the year ended June 30, 2021
(Accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses:				
Governmental activities:				
Fire protection - operations	\$ 17,298,393	\$ 18,285,971	\$ 19,149,488	\$ 18,372,152
OPEB	1,262,063	1,356,223	273,867	-
Interest and fiscal charges	1,289,602	1,225,394	1,151,010	1,041,717
Total governmental activities expenses	<u>19,850,058</u>	<u>20,867,588</u>	<u>20,574,365</u>	<u>19,413,869</u>
Total primary government expenses	<u>\$ 19,850,058</u>	<u>\$ 20,867,588</u>	<u>\$ 20,574,365</u>	<u>\$ 19,413,869</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Fire protection - operations	\$ 1,242,317	\$ 1,455,540	\$ 1,037,735	\$ 1,180,935
Operating grants and contributions	-	-	1,773,086	1,814,670
Total governmental activities program revenues	<u>1,242,317</u>	<u>1,455,540</u>	<u>2,810,821</u>	<u>2,995,605</u>
Total primary government program revenues	<u>\$ 1,242,317</u>	<u>\$ 1,455,540</u>	<u>\$ 2,810,821</u>	<u>\$ 2,995,605</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (18,607,741)</u>	<u>\$ (19,412,048)</u>	<u>\$ (17,763,544)</u>	<u>\$ (16,418,264)</u>
Total primary government net expense	<u>\$ (18,607,741)</u>	<u>\$ (19,412,048)</u>	<u>\$ (17,763,544)</u>	<u>\$ (16,418,264)</u>
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 16,524,808	\$ 16,471,345	\$ 17,670,263	\$ 19,235,847
Fire flow taxes	1,067,763	1,069,288	1,071,747	1,068,288
Investment earnings	3,252	784	209	1,996
State and federal grants	280,069	1,239	165,510	160,407
Other general revenues	219,379	112,191	-	-
Gain (loss) on sale of assets	-	-	-	-
Total governmental activities	<u>18,095,271</u>	<u>17,654,847</u>	<u>18,907,729</u>	<u>20,466,538</u>
Total primary government	<u>\$ 18,095,271</u>	<u>\$ 17,654,847</u>	<u>\$ 18,907,729</u>	<u>\$ 20,466,538</u>
Changes in Net Position				
Governmental activities	<u>\$ (512,470)</u>	<u>\$ (1,757,201)</u>	<u>\$ 1,144,185</u>	<u>\$ 4,048,274</u>
Total primary government	<u>\$ (512,470)</u>	<u>\$ (1,757,201)</u>	<u>\$ 1,144,185</u>	<u>\$ 4,048,274</u>

2016	2017	2018	2019	2020	2021
\$ 18,610,768	\$ 19,005,152	\$ 21,012,014	\$ 22,256,196	\$ 28,155,478	\$ 24,739,637
-	-	-	-	-	-
1,079,259	996,870	825,941	716,469	545,240	357,144
19,690,027	20,002,022	21,837,955	22,972,665	28,700,718	25,096,781
<u>\$ 19,690,027</u>	<u>\$ 20,002,022</u>	<u>\$ 21,837,955</u>	<u>\$ 22,972,665</u>	<u>\$ 28,700,718</u>	<u>\$ 25,096,781</u>
\$ 1,303,760	\$ 1,531,589	\$ 1,469,376	\$ 2,135,887	\$ 1,614,881	\$ 1,691,513
436,499	106,929	459,284	803,789	4,472,546	990,192
1,740,259	1,638,518	1,928,660	2,939,676	6,087,427	2,681,705
<u>\$ 1,740,259</u>	<u>\$ 1,638,518</u>	<u>\$ 1,928,660</u>	<u>\$ 2,939,676</u>	<u>\$ 6,087,427</u>	<u>\$ 2,681,705</u>
\$ (17,949,768)	\$ (18,363,504)	\$ (19,909,295)	\$ (20,032,989)	\$ (22,613,291)	\$ (22,415,076)
<u>\$ (17,949,768)</u>	<u>\$ (18,363,504)</u>	<u>\$ (19,909,295)</u>	<u>\$ (20,032,989)</u>	<u>\$ (22,613,291)</u>	<u>\$ (22,415,076)</u>
\$ 20,693,314	\$ 22,121,300	\$ 23,220,123	\$ 24,686,257	\$ 26,074,303	\$ 27,314,589
1,070,214	1,076,738	1,080,597	1,084,245	1,087,937	1,093,247
10,948	22,103	116,664	261,644	212,424	1,033,285
158,460	156,429	154,528	151,166	148,796	149,337
406,279	599,199	1,229,097	966,677	456,975	3,462,830
315,507	-	-	-	-	-
22,654,722	23,975,769	25,801,009	27,149,989	27,980,435	33,053,288
<u>\$ 22,654,722</u>	<u>\$ 23,975,769</u>	<u>\$ 25,801,009</u>	<u>\$ 27,149,989</u>	<u>\$ 27,980,435</u>	<u>\$ 33,053,288</u>
\$ 4,704,954	\$ 5,612,265	\$ 5,891,714	\$ 7,117,000	\$ 5,367,144	\$ 10,638,212
<u>\$ 4,704,954</u>	<u>\$ 5,612,265</u>	<u>\$ 5,891,714</u>	<u>\$ 7,117,000</u>	<u>\$ 5,367,144</u>	<u>\$ 10,638,212</u>



Moraga-Orinda Fire Protection District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
For the year ended June 30, 2021

	2012	2013	2014	2015
General Fund				
Nonspendable	\$ 101,742	\$ 179,419	\$ 314,360	\$ 150,767
Restricted	-	-	700	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	981,806	(103,719)	250,906	1,809,814
Total General Fund	<u>1,083,548</u>	<u>75,700</u>	<u>565,966</u>	<u>1,960,581</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	2,377,847	2,037,710	2,205,639	2,812,780
Committed	-	3,607,437	3,445,991	3,890,011
Assigned	3,041,382	-	-	-
Total Other Governmental Funds	<u>5,419,229</u>	<u>5,645,147</u>	<u>5,651,630</u>	<u>6,702,791</u>
Total All Governmental Funds	<u>\$ 6,502,777</u>	<u>\$ 5,720,847</u>	<u>\$ 6,217,596</u>	<u>\$ 8,663,372</u>

2016	2017	2018	2019	2020	2021
\$ -	\$ 81,945	\$ 16,443	\$ 493,113	\$ 258,759	\$ 580,118
-	300,000	700,449	1,879,809	3,022,693	5,582,483
-	-	76,594	-	-	-
-	-	-	-	-	-
<u>3,689,075</u>	<u>4,905,518</u>	<u>6,297,533</u>	<u>7,828,854</u>	<u>9,618,061</u>	<u>11,964,650</u>
<u>3,689,075</u>	<u>5,287,463</u>	<u>7,091,019</u>	<u>10,201,776</u>	<u>12,899,513</u>	<u>18,127,251</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,591,527	6,070,031	5,335,311	3,244,815	3,487,608	3,747,327
6,064,366	6,580,029	6,021,716	5,017,632	4,559,236	4,923,162
-	-	-	16,864	213,714	-
<u>12,655,893</u>	<u>12,650,060</u>	<u>11,357,027</u>	<u>8,279,311</u>	<u>8,260,558</u>	<u>8,670,489</u>
<u>\$ 16,344,968</u>	<u>\$ 17,937,523</u>	<u>\$ 18,448,046</u>	<u>\$ 18,481,087</u>	<u>\$ 21,160,071</u>	<u>\$ 26,797,740</u>



Moraga-Orinda Fire Protection District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
For the year ended June 30, 2021
(Modified accrual basis of accounting)

Revenues:	2012	2013	2014	2015
Property taxes	\$ 16,524,808	\$ 16,471,345	\$ 17,670,263	\$ 19,235,847
Fire flow taxes	1,067,763	1,069,288	1,071,747	1,068,288
Use of money and property	3,252	784	209	1,996
State and federal grants	280,069	1,239	853,927	950,669
Charges for services	1,242,317	1,455,540	226,745	273,205
Charges for services - ambulance	-	-	810,990	907,730
Other revenues	219,379	112,191	1,026,669	798,753
Impact mitigation fees	-	-	58,000	225,655
Total revenues	19,337,588	19,110,387	21,718,550	23,462,143
Expenditures:				
Fire protection - operations:				
Salaries	15,928,710	7,725,838	8,181,676	7,250,708
Overtime	-	2,421,630	1,541,123	2,048,524
Benefits	-	4,001,208	4,649,384	6,442,501
Retiree health insurance	-	937,777	896,659	885,770
Services and supplies	-	1,824,534	2,059,857	1,810,195
Capital outlay	1,241,129	493,832	1,279,899	266,114
Debt service:				
Principal	1,055,000	1,230,000	1,425,000	1,630,000
Interest and fiscal charges	1,317,137	1,257,498	1,188,203	1,108,467
Total expenditures	19,541,976	19,892,317	21,221,801	21,442,279
Reconciliation of Governmental Revenues				
Less Expenditures to Fund Equity:				
Revenue over (under) expenditures	(204,388)	(781,930)	496,749	2,019,864
Other financing sources:				
Proceeds of debt issued	-	-	-	424,554
Proceeds from sales of assets	-	-	-	1,358
Total other financing sources	-	-	-	425,912
Net change in fund balances	\$ (204,388)	\$ (781,930)	\$ 496,749	\$ 2,445,776
Debt service as a percentage of noncapital expenditures	12.96%	12.82%	13.10%	12.93%

2016	2017	2018	2019	2020	2021
\$ 20,693,314	\$ 22,121,300	\$ 23,220,123	\$ 24,686,257	\$ 26,074,303	\$ 27,314,589
1,070,214	1,076,738	1,080,597	1,084,245	1,087,937	1,093,247
10,948	22,103	116,664	261,644	212,424	1,033,285
594,959	263,358	613,812	954,955	4,621,342	1,139,529
228,372	319,436	348,691	321,059	241,409	343,071
997,388	1,116,153	1,082,685	1,751,628	1,353,072	1,280,442
406,279	599,199	1,229,097	966,677	456,975	3,462,830
78,000	96,000	38,000	63,200	20,400	68,000
<u>24,079,474</u>	<u>25,614,287</u>	<u>27,729,669</u>	<u>30,089,665</u>	<u>34,067,862</u>	<u>35,734,993</u>
7,517,701	8,065,559	8,551,976	8,898,105	9,567,398	9,969,662
1,832,377	2,196,582	2,741,777	2,829,927	1,643,345	3,452,638
5,924,823	6,369,452	6,864,030	6,937,618	7,945,046	8,215,104
859,224	827,605	821,299	871,105	874,316	854,258
2,091,521	2,165,943	2,561,629	3,044,933	6,207,382	3,060,478
792,794	3,882,152	1,575,234	3,216,942	678,836	8,095
1,936,862	2,383,359	3,234,500	3,531,541	3,853,811	4,102,690
1,091,276	992,998	935,347	787,569	624,346	444,651
<u>22,046,578</u>	<u>26,883,650</u>	<u>27,285,792</u>	<u>30,117,740</u>	<u>31,394,480</u>	<u>30,107,576</u>
<u>2,032,896</u>	<u>(1,269,363)</u>	<u>443,877</u>	<u>(28,075)</u>	<u>2,673,382</u>	<u>5,627,417</u>
4,069,000	2,855,000	-	-	-	-
1,579,700	6,918	66,646	61,116	5,602	10,252
<u>5,648,700</u>	<u>2,861,918</u>	<u>66,646</u>	<u>61,116</u>	<u>5,602</u>	<u>10,252</u>
<u>\$ 7,681,596</u>	<u>\$ 1,592,555</u>	<u>\$ 510,523</u>	<u>\$ 33,041</u>	<u>\$ 2,678,984</u>	<u>\$ 5,637,669</u>
<u>14.25%</u>	<u>14.68%</u>	<u>16.22%</u>	<u>16.06%</u>	<u>14.58%</u>	<u>15.11%</u>



Moraga-Orinda Fire Protection District
Assessed Value and Actual Value of Taxable Properties
For the year ended June 30, 2021

	<u>Secured</u>	<u>Public Utility</u>	<u>Unsecured</u>	<u>Total</u>
2012	\$7,651,638,646	\$ 202,420	\$66,910,960	\$7,718,752,026
2013	7,717,894,690	116,479	70,187,146	7,788,198,315
2014	8,185,959,045	116,479	61,878,545	8,247,954,069
2015	8,856,613,012	-	54,622,692	8,911,235,704
2016	9,513,818,540	-	51,023,341	9,564,841,881
2017	10,092,398,210	-	56,765,474	10,149,163,684
2018	10,647,964,837	-	53,105,276	10,701,070,113
2019	11,280,017,996	-	54,374,980	11,334,392,976
2020	11,977,281,909	-	53,230,826	12,030,512,735
2021	12,586,968,660	-	54,136,370	12,641,105,030



This page left blank intentionally.



Moraga-Orinda Fire Protection District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	Basic Direct Rate	Overlapping Rates				
		Acalanes Union High School District	BART Bond	Contra Costa Comm College District	EBMUD District 1 Bond	East Bay Regional Park District Bond
2012	1.00000	0.03330	0.00410	0.01440	0.00670	0.00710
2013	1.00000	0.03330	0.00430	0.00870	0.00680	0.00510
2014	1.00000	0.03610	0.00750	0.01330	0.00660	0.00780
2015	1.00000	0.03500	0.00450	0.02520	0.00470	0.00850
2016	1.00000	0.03320	0.00260	0.02200	0.00340	0.00670
2017	1.00000	0.03230	0.00800	0.01200	0.00280	0.00320
2018	1.00000	0.03250	0.00840	0.01140	0.00110	0.00210
2019	1.00000	0.03230	0.00700	0.01100	0.00000	0.00210
2020	1.00000	0.03260	0.01200	0.01880	0.00000	0.00940
2021	1.00000	0.03270	0.01390	0.01610	0.00000	0.00140

Source: HdL, Coren and Cone.

Notes:

Rate per \$100 of assessed value.

In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all District property owners.

Lafayette School District Bond 1995	Moraga School District Bond 1995	Orinda Union School District Bond	Orinda Roads Bond	West Contra Costa Unified School District	Total Tax Rate
0.02790	0.03120	0.02740	0.00000	0.23220	1.38430
0.02840	0.02790	0.02730	0.00000	0.21570	1.35750
0.02670	0.02640	0.02550	0.00000	0.28180	1.43170
0.02410	0.02430	0.02320	0.01300	0.28030	1.44280
0.02090	0.02290	0.01900	0.01850	0.27810	1.42730
0.04370	0.02240	0.01650	0.01690	0.26040	1.41820
0.04190	0.04830	0.01440	0.02500	0.23970	1.42480
0.04120	0.04480	0.01460	0.03350	0.23900	1.42550
0.04010	0.04520	0.07240	0.03250	0.23790	1.50090
0.03810	0.02810	0.06030	0.03220	0.24320	1.46600



Moraga-Orinda Fire Protection District
Principal Property Taxpayers
Current Year and Ten Years Ago

Property Owner	Primary Land Use	2020-21		
		Assessed Valuation	Rank	% of Net AV
PWRP-Moraga, LP	Commercial Moraga	\$ 40,976,504	1	0.32%
Pine Grove, LLC	Commercial Orinda	34,839,447	2	0.28%
Orinda Dunhill, LLC	Commercial Orinda	34,505,922	3	0.27%
Russell J Bruzzone, INC	Commercial Moraga	25,603,093	4	0.20%
LS Wilder LLC	Vacant Orinda	21,700,000	5	0.17%
Taylor Morrison of California, LLC	Vacant Orinda	14,532,497	6	0.11%
ASC Moraga, LLC	Commercial Moraga	13,511,814	7	0.11%
YSMA LLC	Residential Orinda	12,744,900	8	0.10%
Vanguard Apartments, LLC	Residential Moraga	12,217,764	9	0.10%
Moraga Country Club HOA	Recreational Moraga	11,697,610	10	0.09%
OG Property Owner LLC	Vacant Orinda			
PK I Rheem Valley, LP	Commercial Moraga			
GLL BVK Properties LP	Commercial Orinda			
Richard S Wiley	Residential Orinda			
Orinda Country Club	Commercial Orinda			
Oakmont of Moraga, LLC	Institutional Moraga			
George Gage Trust	Residential Moraga			
Bigbury Company N V	Vacant Moraga			
		<u>\$ 222,329,551</u>		<u>1.76%</u>

Source: HdL, Coren and Cone.

2011-12			
	Assessed Valuation	Rank	% of Total
\$	24,039,325	4	0.31%
	20,491,957	5	0.27%
	135,397,945	1	1.75%
	33,019,565	2	0.43%
	25,000,000	3	0.32%
	11,234,470	6	0.15%
	10,404,760	7	0.13%
	10,399,754	8	0.13%
	8,254,626	9	0.11%
	7,537,761	10	0.10%
\$	285,780,163		3.70%



Moraga-Orinda Fire Protection District
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2012	\$ 16,524,808	\$ 16,524,808	100%
2013	16,471,345	16,471,345	100%
2014	17,670,263	17,670,263	100%
2015	19,235,848	19,235,848	100%
2016	20,693,314	20,693,314	100%
2017	22,121,300	22,121,300	100%
2018	23,220,123	23,220,123	100%
2019	24,686,257	24,686,257	100%
2020	26,074,303	26,074,303	100%
2021	27,314,589	27,314,589	100%

Source: Administrative Services Division.

Note: Taxes reported and collected under the Teeter Plan are distributed to the District in the year of the levy. Contra Costa County retains any interest or penalties on uncollected balances.



Moraga-Orinda Fire Protection District
Ratio of Outstanding Debt by Type
Last Test Fiscal Years

Fiscal Year	Pension Obligation Bonds	Equipment Capital Lease	Total Primary Government	Percentage of Personal Income	Per Capita
2012	\$ 24,705,000	\$ -	\$ 24,705,000	0.96%	\$ 726
2013	23,475,000	-	23,475,000	0.90%	687
2014	22,050,000	-	22,050,000	0.83%	640
2015	20,420,000	424,554	20,844,554	0.73%	594
2016	18,565,000	4,411,692	22,976,692	0.77%	652
2017	16,465,000	6,983,333	23,448,333	0.76%	658
2018	14,105,000	6,108,833	20,213,833	0.59%	559
2019	11,465,000	5,217,292	16,682,292	0.46%	458
2020	8,520,000	4,308,481	12,828,481	0.33%	357
2021	5,255,000	3,470,791	8,725,791	0.22%	243

Source: Administrative Services Division, State of California, Department of Finance, Employment Development Department.



Moraga-Orinda Fire Protection District
Direct and Overlapping Debt
June 30, 2021

2020-21 Assessed Valuation	\$ 12,030,512,735		
	Gross Bonded Debt Balance	Percent Applicable ⁽¹⁾	Net Bonded Debt
Direct Debt			
307400 PENSION OBLIGATION BONDS	\$ 5,225,000	100.000%	\$ 5,225,000
307400 2016 EQUIPMENT CAPITAL LEASE	2,878,000	100.000%	2,878,000
307400 FIRE STATION CONSTRUCTION CAPITAL LEASE	592,791	100.000%	592,791
Total Direct Debt			<u>8,695,791</u>
Overlapping Tax and Assessment Debt			
100300 CCC PENSION OBLIGATION BOND	44,925,000	5.583	2,508,356
100300 CCC PFA 1998A LRB	6,435,000	5.583	359,294
100300 CCC PFA 1999A LRB	6,310,000	5.583	352,315
100300 CCC PFA 2002A LRB	4,065,000	5.583	226,966
100300 CCC PFA 2003A LRB	3,445,000	5.583	192,349
100300 CCC PFA 2007A LRB	61,030,000	5.583	3,407,568
100300 CCC PFA 2009A LRB	6,407,008	5.583	357,731
100300 CCC PFA 2010A-2 LRB	11,995,000	5.583	669,733
100300 CCC PFA 2010A-3 LRB	20,700,000	5.583	1,155,770
100300 CCC PFA 2010B LRB	6,055,000	5.583	338,076
100300 CCC PFA 2012 LRB	6,212,865	5.583	346,891
100300 CCC PFA 2015 A&B LRB	37,900,000	5.583	2,116,121
100300 CCC PFA 2017 A LRB	42,320,000	5.583	2,362,908
100300 CCC PFA 2017B LRB	76,930,000	5.583	4,295,334
400800 BART BOND	328,172,932	5.583	18,323,311
402700 EAST BAY REGIONAL PARK BOND	125,395,149	5.583	7,001,352
421800 2014A, 2014B, 2016 GO BONDS	45,070,000	100.000	45,070,000
509100 ACALANES UNION 1997 BOND	42,430,000	31.674	13,439,336
509500 ACALANES U521800N 2008 BOND	112,927,772	31.674	35,768,482
509600 ACANALES UNION 2002 BOND	85,410,000	31.674	27,052,880
529000 LAFAYETTE ELEMENTARY BOND 1995	4,875,000	0.182	8,892
529100 LAFAYETTE ELEMENTARY BOND 2016	67,275,000	0.182	122,704
539200 MORAGA ELEMENTARY BOND 2016	29,500,000	100.000	29,500,000
549000 ORINDA ELEMENTARY BOND	2,470,265	99.833	2,466,148
549108 ORINDA ELEMENTARY BOND 2018E	7,860,000	99.833	7,846,900
549208 ORINDA ELEMENTARY BOND 2018I	7,860,000	99.833	7,846,900
792100 CONTRA COSTA COMMUNITY COLLEGE 2002 BOND	311,230,151	5.602	17,435,666
792200 CONTRA COSTA COMMUNITY COLLEGE 2006 BOND	354,509,849	5.602	19,860,272
792300 CONTRA COSTA COMMUNITY COLLEGE 2014 BOND	274,130,000	5.602	15,357,250
Total Overlapping Tax and Assessment Debt			<u>265,789,505</u>
Total Direct and Overlapping Debt			<u>\$ 274,485,296 ⁽²⁾</u>
Debt To Assessed Valuation Ratios:			
Combined Direct Debt		0.07%	
Total Overlapping Tax and Assessment Debt		2.10%	
Combined Total Debt		2.17%	

⁽¹⁾ Percentage of overlapping agency's assessed valuation located within the boundaries of the District.

⁽²⁾ Excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Source: HdL Coren and Cone, Contra Costa County Assessor and Auditor.



This page left blank intentionally.



Moraga-Orinda Fire Protection District
Legal Bonded Debt Margin
Last Ten Fiscal Years
(Thousands)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit	\$ 286,936,449	\$ 289,421,051	\$ 306,973,464	\$ 332,122,988	\$ 356,768,195
Total debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 286,936,449</u>	<u>\$ 289,421,051</u>	<u>\$ 306,973,464</u>	<u>\$ 332,122,988</u>	<u>\$ 356,768,195</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value - secured	\$12,586,968,660
Debt limit (3.75% of assessed value) (a)	472,011,325
Debt applicable to limit: None	-
Legal debt margin	<u>\$ 472,011,325</u>

(a) California Health and Safety Code, Section 13937 sets the debt limit at 10%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

Source: HdL, Coren and Cone.

2017	2018	2019	2020	2021
\$ 378,464,933	\$ 399,298,681	\$ 423,000,675	\$ 449,148,072	\$ 472,011,325
-	-	-	-	-
<u>\$ 378,464,933</u>	<u>\$ 399,298,681</u>	<u>\$ 423,000,675</u>	<u>\$ 449,148,072</u>	<u>\$ 472,011,325</u>
0%	0%	0%	0%	0%



Moraga-Orinda Fire Protection District
Demographic and Economic Statistics
Last Ten Calendar Years

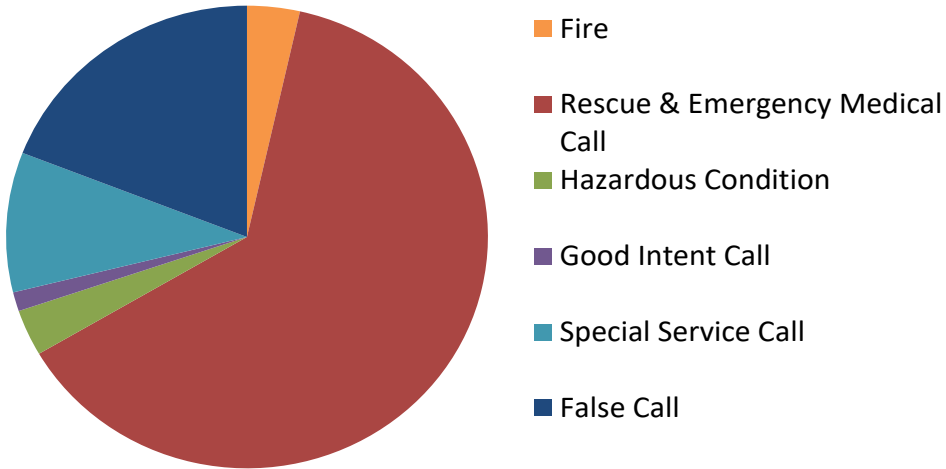
Calendar Year	Town of Moraga Population	City of Orinda Population	Total Population	Per Capita Personal Income	Personal Income (Thousands)	Unemployment Rate
2012	16,168	17,839	34,007	\$ 75,432	\$2,565,216	2.6%
2013	16,238	17,925	34,163	76,023	2,597,174	2.5%
2014	16,348	18,089	34,437	77,509	2,669,177	2.4%
2015	16,466	18,612	35,078	81,141	2,846,264	2.5%
2016	16,513	18,749	35,262	84,985	2,996,741	2.9%
2017	16,676	18,935	35,611	87,033	3,099,332	2.3%
2018	16,991	19,199	36,190	94,377	3,414,056	1.9%
2019	16,939	19,475	36,414	99,090	3,608,263	1.9%
2020	16,946	19,009	35,955	108,050	3,884,938	5.6%
2021	16,820	19,078	35,898	113,007	4,056,725	4.8%

Source: State of California Department of Finance, Employment Development Department.
 Table above is the most recent available



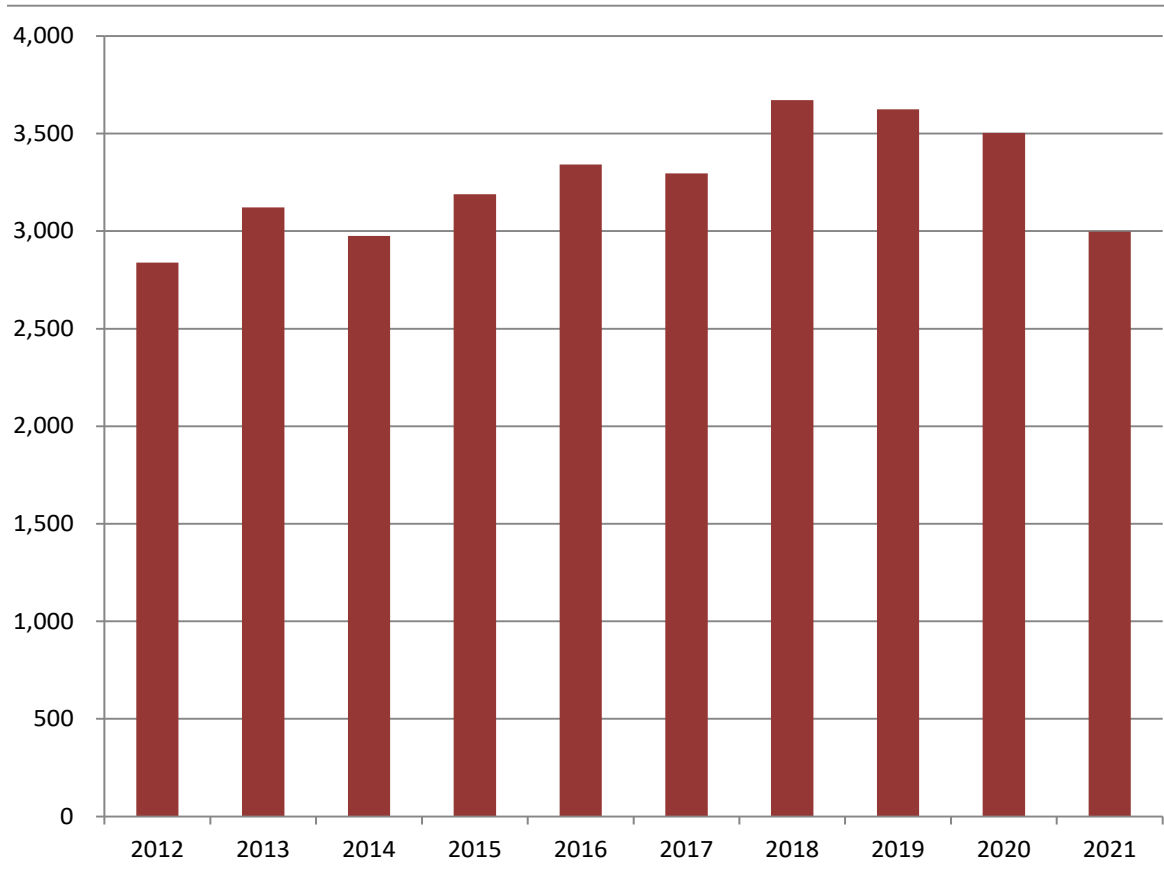
Moraga-Orinda Fire Protection District
Emergency Response Detail Analysis
Fiscal Year 2020 - 2021

<u>Category</u>	<u>Number of Incidents</u>	<u>Percent of Total Responses</u>
Fire	106	3.5%
Rescue & Emergency Medical Call	1,890	63.0%
Hazardous Condition	97	3.2%
Good Intent Call	40	1.3%
Special Service Call	293	9.8%
False Call	572	19.1%
Total	2,998	100.0%





Moraga-Orinda Fire Protection District
Total Emergency Responses
Last Ten Fiscal Years



<u>Fiscal Year</u>	<u>Number of Emergency Responses</u>
2012	2,838
2013	3,121
2014	2,976
2015	3,189
2016	3,341
2017	3,296
2018	3,672
2019	3,624
2020	3,504
2021	2,998



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Moraga-Orinda Fire Protection District
Moraga, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Moraga-Orinda Fire Protection District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amount. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
November 12, 2021



November 12, 2021

Governing Board
Moraga-Orinda Fire Protection District
Moraga, California

We have audited the financial statements of the governmental activities and each major fund of the Moraga-Orinda Fire Protection District (District), for the year ended June 30, 2021 and have issued our report thereon dated November 12, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated August 15, 2021 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated November 12, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are related to the District's net pension liabilities and related deferred inflows of resources, deferred outflows of resources and net other postemployment benefits liability and related deferred inflows of resources and deferred outflows of resources.

Management's estimate of the net pension liabilities and net other postemployment benefits liability and related deferrals are based on actuarial valuations performed by management specialists. We evaluated the key factors and assumptions used to develop these liabilities and determined that they were reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The District's disclosure of the net pension liabilities and net OPEB liability and related deferred inflows of resources and deferred outflows of resources required by the District's reporting of the related information, are particularly sensitive. As disclosed in the notes, a 1% increase or decrease in the rates has a material effect on the District's net pension and OPEB liabilities.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no corrected or uncorrected misstatements detected.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit. Representations Requested from Management.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated November 12, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the governing board and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California



Independent Accountant's Report on Applying
Agreed-Upon Procedures for
Appropriations Limit Calculation
for the Year Ended June 30, 2021
Moraga-Orinda Fire Protection District



INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES RELATED TO THE ARTICLE XIII-B APPROPRIATIONS LIMIT CALCULATION

Governing Board
Moraga-Orinda Fire Protection District
Moraga, California

We have performed the procedures enumerated below, on the Appropriations Limit Calculation of the Moraga-Orinda Fire District (District) prepared in accordance with Article XIII-B of the California Constitution for the fiscal year ended June 30, 2021. The District’s management is responsible for the Appropriations Limit Calculation. The District has agreed to and acknowledged that the procedures performed are appropriate to meet

the intended purpose of assisting the District in evaluating its Appropriations Limit Calculation was performed as required by Article XIII-B of the California Constitution and we will report on findings based on the procedures performed. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings are as follows:

1. We obtained completed worksheets and compared the 2020-2021 limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by Resolution of the Board of Directors. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of Board of Directors.

Findings: No exceptions were noted as a result of our procedures.

2. We added last year’s limit to the total adjustments and compared the resulting amount to this year’s limit. See the accompanying Gann Appropriations Limit Schedule.

Findings: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Gann Appropriations Limit Schedule to the worksheet described in No. 1 above.

Findings: No exceptions were noted as result of our procedures.

MORAGA-ORINDA FIRE PROTECTION DISTRICT

Gann Appropriations Limit Schedule

For the year ended June 30, 2021

- 4. We compared the prior year appropriations limit, presented in the accompanying Gann Appropriations Limit Schedule, to the prior year appropriations limit adopted by the District for the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's Appropriation Limit Calculation. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of the Board of Directors, and management of the District and is not intended to be and should not be used by anyone other than those specified parties.



San Mateo, California

November 12, 2021

MORAGA-ORINDA FIRE PROTECTION DISTRICT

Gann Appropriations Limit Schedule

For the year ended June 30, 2021

	<u>Amount</u>	<u>Source</u>
A. Appropriations limit for the year ended June 30, 2020	\$ 30,635,296	Prior year schedule
B. Calculation Factors:		
1. Population change %	1.0026	State Department of Finance
2. Per capita personal income change %	<u>1.0373</u>	State Department of Finance
3. Total adjustment factor	1.0400	B1*B2
C. Annual adjustment increase	1,225,319	(B3-1.0)*A1
D. Other adjustments	NA	
E. Total adjustments	<u>1,225,319</u>	(C+D)
F. Appropriations limit for the year ended June 30, 2021	<u>\$ 31,860,615</u>	(A+E)



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Dave Winnacker, Fire Chief
Gloriann Sasser, Administrative Services Director

DATE: November 17, 2021

SUBJECT: Item 8.2 – Asset Allocations and Investment Guidelines Documents for the Pension Trust and for the Other Post-Employment Benefits Trust

BACKGROUND

The District contracts with Public Agency Retirement Services (PARS) for pension trust and post-employment benefits trust services. PARS provides an IRS Section 115 approved irrevocable trust for the District to use to fund other post-employment benefits (OPEB) and to fund a pension rate stabilization trust account. On September 15, 2021 the Board directed staff to place the topic of asset allocation of the PARS trust accounts on a future agenda.

ASSET ALLOCATION

Asset allocation ranges are determined by the Board as part of the Investment Guidelines Document (Attachment A – Pension and Attachment B – OPEB.) The current Investment Guidelines Documents authorize the following:

Pension Trust

Investment Time Horizon Long-Term
Investment Objective Capital Appreciation
Risk Tolerance High
Asset Allocation

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10% - 30%	65% - 85%
Policy: 5%	Policy 20%	Policy: 75%

Pension trust portfolio amounts as of September 30, 2021 (Attachment C):

Cash	\$ 66,911	1.21%
Fixed Income	\$1,141,696	20.65%
Equity	<u>\$4,320,128</u>	78.14%
Total Pension Account	<u>\$5,528,735</u>	

OPEB Trust

Investment Time Horizon Long-Term
Target Rate of Return 7.25%
Investment Objective Capital Appreciation
Risk Tolerance High
Asset Allocation

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10% - 30%	65% - 85%
Policy: 5%	Policy 20%	Policy: 75%

OPEB trust portfolio amounts as of September 30, 2021 (Attachment D):

Cash	\$ 35,051	1.20%
Fixed Income	\$ 603,157	20.65%
Equity	<u>\$2,282,003</u>	78.15%
Total OPEB Account	\$2,920,211	

According to the Government Finance Officers' Association (GFOA) Best Practices for Asset Allocation for Defined Benefit Plans, diversifying an investment portfolio by including asset categories with investment returns that increase or decrease under different market conditions can protect a defined benefit plan against significant investment losses. The GFOA recommends a portfolio be diversified among asset categories.

At June 30, 2021, the District's OPEB plan was 20% funded and the District's pension plan was 89.6% funded. Decreasing the cash and fixed income ranges would result in increasing the equity range and increased risk/volatility. Highmark provided an analysis report that assumes a 100% equity allocated portfolio (Attachment E). Based on the report, the expected return is 7.35% which is an increase of 0.71% above the current estimate of 6.64%. The volatility of the District's portfolio would increase to 16.69% from the current volatility estimate of 12.53%. To summarize, if the District changes the portfolio to 100% equities the expected rate of return would increase 0.71% and the volatility would increase 4.16%.

Staff requests board direction regarding the asset allocations and Investment Guidelines Documents for the OPEB and Pension trust plans.

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Provide direction to staff regarding the Asset Allocations and Investment Guidelines Documents for the Pension Trust and Other Post-Employment Benefits Trust

ATTACHMENTS

Attachment A – Investment Guidelines Document – Pension Trust
Attachment B – Investment Guidelines Document – OPEB Trust
Attachment C – Pension Trust Account Report as of September 30, 2021
Attachment D – OPEB Trust Account Report as of September 30, 2021
Attachment E – Sample Portfolio Asset Allocation – 100% Equities

Attachment



Investment Guidelines Document

Moraga-Orinda Fire District

Employee Benefits Fund Pension Plan

February 2017

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of February 2017

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Employee Benefit Fund Pension Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.hughes@usbank.com
Type of Account:	Pension Plan
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should seek to earn a return in excess of its policy benchmark over the life of the Plan.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Assets in the Plan will seek to mitigate the impact of future rate increases from Contra Costa County Employees' Retirement Association (CCCERA). Typically increases in rates come with a one-year advance warning, however this Plan may transfer assets to CCCERA at any time.

Investment Objective: The investment objective the Plan Sponsor has selected is the Capital Appreciation Objective, which has a primary goal of growth of principal. The assets in this Plan will eventually be used to fund Pension Plan obligations for assets managed in the CCCERA pension plan. The assets in this Trust are also available to mitigate the potential negative impact of future rate increases from CCCERA.

Risk Tolerance: Capital Appreciation – High level of risk tolerance
The account's risk tolerance has been rated above average, which demonstrates that the account can accept significant price fluctuations to pursue its investment objectives

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10%-30%	65%-85%
Policy: 5%	Policy: 20%	Policy: 75%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	65%-85%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	25%-55%
Domestic Mid Cap Equity	0%-18%
Domestic Small Cap Equity	0%-25%
International Equity (incl. Emerging Markets)	0%-25%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	10%-30%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20%
Intermediate-term bonds (maturities 3-7 years)	10%-30%
Short-Term bonds (maturities <3 years)	0%-15%
High Yield bonds	0%-8%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

- 39.50% S&P 500 Index
- 7.50% Russell Mid Cap Index
- 10.50% Russell 2000 Index
- 5.25% MSCI Emerging Market Index
- 10.25% MSCI EAFE Index
- 2.00% Wilshire REIT Index
- 16.00% Barclays Capital US Aggregate Bond Index
- 3.00% ML 1-3 Year US Corp/Gov't Index
- 1.00% US High Yield Master II Index
- 5.00% Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Barclays Capital US Aggregate Bond Index
High Yield	US High Yield Master II Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as adviser or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

- The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:
 - Confirming the accuracy of this Investment Guidelines Document, in writing.
 - Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
 - Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

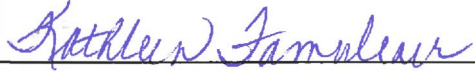
- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with the Finance Committee and Board of Directors annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.
- Voting proxies, if applicable.

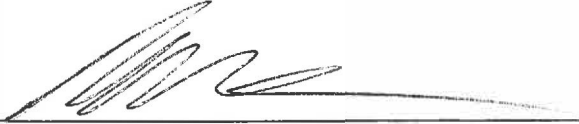
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.


 _____ Date: 2-16-17.
 Plan Sponsor: The Board of the Moraga-Orinda Fire Protection District
 Kathleen Famulener, Board President


 _____ Date: 2/24/17
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605



Investment Guidelines Document

Moraga-Orinda Fire Protection District

Other Post-Employment Benefits Trust

February 2017

Investment Guidelines Document

Scope and Purpose

The purpose of this Investment Guidelines Document is to:

- Facilitate the process of ongoing communication between the Plan Sponsor and its plan fiduciaries;
- Confirm the Plan's investment goals and objectives and management policies applicable to the investment portfolio identified below and obtained from the Plan Sponsor;
- Provide a framework to construct a well-diversified asset mix that can potentially be expected to meet the account's short- and long-term needs that is consistent with the account's investment objectives, liquidity considerations and risk tolerance;
- Identify any unique considerations that may restrict or limit the investment discretion of its designated investment managers;
- Help maintain a long-term perspective when market volatility is caused by short-term market movements.

Key Plan Sponsor Account Information as of February 2017

Plan Sponsor:	The Board of the Moraga-Orinda Fire Protection District
Governance:	The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District
Plan Name ("Plan"):	Moraga-Orinda Fire Protection District Retiree Healthcare Plan
Trustee:	US Bank Contact: Sue Hughes, 949-224-7209 Susan.Hughes@usbank.com
Type of Account:	GASB 45/Other Post-Employment Benefits Trust
ERISA Status:	Not subject to ERISA
Investment Manager:	US Bank, as discretionary trustee, has delegated investment management responsibilities to HighMark Capital Management, Inc. ("Investment Manager"), an SEC-registered investment adviser Contact: Andrew Brown, CFA, 415-705-7605 Andrew.Brown@highmarkcapital.com

Investment Authority: Except as otherwise noted, the Trustee, US Bank, has delegated investment authority to HighMark Capital Management, an SEC-registered investment adviser. Investment Manager has full investment discretion over the managed assets in the account. Investment Manager is authorized to purchase, sell, exchange, invest, reinvest and manage the designated assets held in the account, all in accordance with account's investment objectives, without prior approval or subsequent approval of any other party(ies).

Investment Objectives and Constraints

The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The following objectives are intended to assist in achieving this goal:

- The Plan should earn, on a long-term average basis, a rate of return equal to or in excess of the target rate of return of 7.25%.
- The Plan should seek to earn a return in excess of its policy benchmark over the long-term.
- The Plan's assets will be managed on a total return basis which takes into consideration both investment income and capital appreciation. While the Plan Sponsor recognizes the importance of preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns. To achieve these objectives, the Plan Sponsor allocates its assets (asset allocation) with a strategic, long-term perspective of the capital markets.

Investment Time Horizon: Long-term

Anticipated Cash Flows: Distributions are expected to be low in the early years of the Plan

Target Rate of Return: 7.25% annual target

Investment Objective: The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth herein. The investment objective the Plan Sponsor has selected is the Capital Appreciation Objective, which has a primary goal of growth of principal.

Risk Tolerance: Capital Appreciation – High level of risk tolerance
The account's risk tolerance has been rated above average, which demonstrates that the account can accept price fluctuations to pursue its investment objectives.

Strategic Asset Allocation: The asset allocation ranges for this objective are listed below:

<i>Strategic Asset Allocation Ranges</i>		
Cash	Fixed Income	Equity
0-20%	10%-30%	65%-85%
Policy: 5%	Policy: 20%	Policy: 75%

Market conditions may cause the account's asset allocation to vary from the stated range from time to time. The Investment Manager will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with your objectives.

Security Guidelines:

Equities

With the exception of limitations and constraints described above, Investment Manager may allocate assets of the equity portion of the account among various market capitalizations (large, mid, small) and investment styles (value, growth). Further, Investment Manager may allocate assets among domestic, international developed and emerging market equity securities.

Total Equities	65%-85%
<i>Equity Style</i>	<i>Range</i>
Domestic Large Cap Equity	25%-55%
Domestic Mid Cap Equity	0%-18%
Domestic Small Cap Equity	0%-25%
International Equity (incl. Emerging Markets)	0%-25%
Real Estate Investment Trust (REIT)	0%-15%

Fixed Income

In the fixed income portion of the account, Investment Manager may allocate assets among various sectors and industries, as well as varying maturities and credit quality that are consistent with the overall goals and objectives of the portfolio.

Total Fixed Income	10%-30%
<i>Fixed Income Style</i>	<i>Range</i>
Long-term bonds (maturities >7 years)	0%-20%
Intermediate-term bonds (maturities 3-7 years)	10%-30%
Short-Term bonds (maturities <3 years)	0%-15%
High Yield bonds	0%-8%

Performance Benchmarks:

The performance of the total Plan shall be measured over a three and five-year periods. These periods are considered sufficient to accommodate the market cycles experienced with investments. The performance shall be compared to the return of the total portfolio blended benchmark shown below.

Total Portfolio Blended Benchmark

- 39.50% S&P 500 Index
- 7.50% Russell Mid Cap Index
- 10.50% Russell 2000 Index
- 5.25% MSCI Emerging Market Index
- 10.25% MSCI EAFE Index
- 2.00% Wilshire REIT Index
- 16.00% Barclays Capital US Aggregate Bond Index
- 3.00% ML 1-3 Year US Corp/Gov't Index
- 1.00% US High Yield Master II Index
- 5.00% Citi 1Mth T-Bill

Asset Class/Style Benchmarks

Over a market cycle, the long-term objective for each investment strategy is to add value to a market benchmark. The following are the benchmarks used to monitor each investment strategy:

Large Cap Equity	S&P 500 Index
Growth	S&P 500 Growth Index
Value	S&P 500 Value Index
Mid Cap Equity	Russell Mid Cap Index
Growth	Russell Mid Cap Growth Index
Value	Russell Mid Cap Value Index
Small Cap Equity	Russell 2000 Index
Growth	Russell 2000 Growth Index
Value	Russell 2000 Value Index
REITs	Wilshire REIT Index
International Equity	MSCI EAFE Index
Investment Grade Bonds	Barclays Capital US Aggregate Bond Index
High Yield	US High Yield Master II Index

Security Selection

Investment Manager may utilize a full range of investment vehicles when constructing the investment portfolio, including but not limited to individual securities, mutual funds, and exchange-traded funds. In addition, to the extent permissible, Investment Manager is authorized to invest in shares of mutual funds in which the Investment Manager serves as advisor or sub-adviser.

Investment Limitations:

The following investment transactions are prohibited:

- Direct investments in precious metals (precious metals mutual funds and exchange-traded funds are permissible).
- Venture Capital
- Short sales*
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions*
- Commodities Transactions Puts, calls, straddles, or other option strategies*
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs*

**Permissible in diversified mutual funds and exchange-traded funds*

Duties and Responsibilities

Responsibilities of Plan Sponsor

The Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District is responsible for:

- Confirming the accuracy of this Investment Guidelines Document, in writing.
- Advising Trustee and Investment Manager of any change in the plan/account's financial situation, funding status, or cash flows, which could possibly necessitate a change to the account's overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to the overall investment objective and goals for the account.
- Monitoring and supervising all service vendors and investment options, including investment managers.
- Avoiding prohibited transactions and conflicts of interest.

Responsibilities of Trustee

The plan Trustee is responsible for:

- Valuing the holdings.
- Collecting all income and dividends owed to the Plan.
- Settling all transactions (buy-sell orders).

Responsibilities of Investment Manager

The Investment Manager is responsible for:

- Assisting the Fire Chief or Administrative Services Director of the Moraga-Orinda Fire Protection District with the development and maintenance of this Investment Policy Guideline document annually.
- Meeting with Finance Committee annually to review portfolio structure, holdings, and performance.
- Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Researching and monitoring investment advisers and investment vehicles.
- Purchasing, selling, and reinvesting in securities held in the account.
- Monitoring the performance of all selected assets.


- Voting proxies, if applicable.
- Recommending changes to any of the above.
- Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
- Preparing and presenting appropriate reports.
- Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

Acknowledgement and Acceptance

I/We being the Plan Sponsor with responsibility for the account(s) held on behalf of the Plan Sponsor specified below, designate Investment Manager as having the investment discretion and management responsibility indicated in relation to all assets of the Plan or specified Account. If such designation is set forth in the Plan/trust, I/We hereby confirm such designation as Investment Manager.

I have read the Investment Guidelines Document, and confirm the accuracy of it, including the terms and conditions under which the assets in this account are to be held, managed, and disposed of by Investment Manager. This Investment Guidelines Document supersedes all previous versions of an Investment Guidelines Document or investment objective instructions that may have been executed for this account.


 _____ Date: 2-16-17
 Plan Sponsor: The Board of the Moraga-Orinda Fire District


 _____ Date: 2/24/17
 Investment Manager: Andrew Brown, CFA, Senior Portfolio Manager, (415) 705-7605

Moraga/Orinda Fire Protection District

Third Quarter 2021

**Presented by:
Andrew Brown, CFA**

Selected Period Performance

Moraga Pension

Period Ending: 9/30/2021

	3 Months	Year to Date (9 Months)	1 Year	3 Years	Inception to Date 04/01/2017
Cash Equivalents	.01	.02	.03	1.20	1.16
<i>Lipper Money Market Funds Index</i>	<i>.00</i>	<i>.00</i>	<i>.00</i>	<i>.96</i>	<i>1.01</i>
Total Fixed Income	.06	-1.21	-.39	4.97	3.51
<i>Bloomberg US Aggregate Bd Index</i>	<i>.05</i>	<i>-1.55</i>	<i>-.90</i>	<i>5.36</i>	<i>3.78</i>
Total Equities	-1.05	13.29	30.72	12.77	13.17
Large Cap Funds	.51	15.72	30.07	15.60	15.91
<i>S&P 500 Composite Index</i>	<i>.58</i>	<i>15.92</i>	<i>30.00</i>	<i>15.99</i>	<i>16.42</i>
Mid Cap Funds	-.98	14.71	37.54	14.34	14.09
<i>Russell Midcap Index</i>	<i>-.93</i>	<i>15.17</i>	<i>38.11</i>	<i>14.22</i>	<i>14.02</i>
Small Cap Funds	-4.32	12.74	47.80	10.01	11.80
<i>Russell 2000 Index</i>	<i>-4.36</i>	<i>12.41</i>	<i>47.68</i>	<i>10.54</i>	<i>12.30</i>
International Equities	-3.46	5.62	22.56	8.41	8.28
<i>MSCI EAFE Index</i>	<i>-.45</i>	<i>8.35</i>	<i>25.73</i>	<i>7.62</i>	<i>8.32</i>
<i>MSCI EM Free Index</i>	<i>-8.09</i>	<i>-1.25</i>	<i>18.20</i>	<i>8.58</i>	<i>8.71</i>
RR: REITS	.61	21.74	32.49	11.01	8.36
<i>Wilshire REIT Index</i>	<i>1.64</i>	<i>24.79</i>	<i>38.04</i>	<i>10.39</i>	<i>8.32</i>
Total Managed Portfolio	-.82	9.16	21.91	11.34	10.77

Performance Inception: 4/01/2017

Returns are gross of fees unless otherwise noted. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value. * The performance aggregate represents from April 1, 2017 to August 31, 2018 investment in account 6746050111 PARS/PRSP Capital Appreciation Index. Plan dollars were transferred on September 1, 2018 into account 6746059401, and maintained the same investment objective of capital appreciation index.

Asset Allocation – Pension Plan - 6746059401

As of September 30, 2021

Current Asset Allocation		Investment Vehicle		
Equity	78.14%		Range: 65%-85%	\$4,320,128
Large Cap Core	23.07%	IVV	iShares Core S&P 500 ETF	\$1,275,658
Large Cap Value	9.90%	IVE	iShares S&P 500 Value ETF	\$547,506
Large Cap Growth	8.60%	IVW	iShares S&P 500 Growth ETF	\$475,685
Mid Cap Core	6.36%	IWR	iShares Russell Mid-Cap ETF	\$351,442
Small Cap Value	5.85%	IWN	iShares Russell 2000 Value ETF	\$323,504
Small Cap Growth	5.75%	IWO	iShares Russell 2000 Growth ETF	\$317,664
International Core	11.42%	IEFA	iShares Core MSCI EAFE ETF	\$631,645
Emerging Markets	5.20%	VWO	Vanguard FTSE Emerging Markets ETF	\$287,507
Real Estate	1.98%	VNQ	Vanguard Real Estate ETF	\$109,515
Fixed Income	20.65%		Range: 10%-30%	\$1,141,696
Short-Term	2.38%	VFSUX	Vanguard Short-Term Investment-Grade Adm	\$131,830
Intermediate-Term	16.95%	AGG	iShares Core US Aggregate Bond ETF	\$937,242
High Yield	1.31%	VWEAX	Vanguard High-Yield Corporate Adm	\$72,624
Cash	1.21%		Range: 0%-20%	\$66,911
	1.21%	FGZXX	First American Government Oblig Z	\$66,911
TOTAL	100.00%			\$5,528,735

MORAGA ORINDA FPD

For Period Ending September 30, 2021

LARGE CAP EQUITY FUNDS

Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
iShares S&P 500 Growth ETF	-5.80	1.81	16.27	28.62	20.03	20.93	18.74
iShares Core S&P 500 ETF	-4.65	0.57	15.89	29.96	15.96	16.86	16.58
iShares S&P 500 Value ETF	-3.31	-0.89	15.14	31.77	10.52	11.52	13.57

MID CAP EQUITY FUNDS

iShares Russell Mid-Cap ETF	-4.13	-0.98	15.02	37.85	14.06	14.22	15.34
-----------------------------	-------	-------	-------	-------	-------	-------	-------

SMALL CAP EQUITY FUNDS

iShares Russell 2000 Value ETF	-2.02	-3.03	22.70	63.54	8.40	10.88	13.08
iShares Russell 2000 Growth ETF	-3.84	-5.67	2.73	33.12	11.62	15.31	15.80

INTERNATIONAL EQUITY FUNDS

iShares Core MSCI EAFE ETF	-3.40	-0.79	8.27	25.89	7.83	9.13	--
Vanguard FTSE Emerging Markets ETF	-3.32	-6.94	1.35	18.47	9.66	8.72	6.05

REAL ESTATE FUNDS

Vanguard Real Estate ETF	-5.66	0.68	22.19	33.49	11.97	7.52	11.53
--------------------------	-------	------	-------	-------	-------	------	-------

BOND FUNDS

iShares Core US Aggregate Bond ETF	-0.86	0.06	-1.58	-0.93	5.30	2.89	2.95
Vanguard Short-Term Investment-Grade Adm	-0.22	0.14	0.35	1.34	4.02	2.71	2.64
Bloomberg US Agg Bond TR USD	-0.87	0.05	-1.55	-0.90	5.36	2.94	3.01
Vanguard High-Yield Corporate Adm	-0.15	0.88	3.24	8.02	6.45	5.75	6.73
ICE BofA US High Yield Mstr II Index	0.03	0.94	4.67	11.46	6.62	6.35	7.33

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.

Moraga/Orinda Fire Protection District

Third Quarter 2021

**Presented by:
Andrew Brown, CFA**

Selected Period Performance
Moraga Orinda FPD OPEB
Period Ending: 9/30/2021

	3 Months	Year to Date (9 Months)	1 Year	3 Years	5 Years	Inception to Date 06/01/2015
Cash Equivalents	.01	.02	.03	1.05	.99	.82
<i>Lipper Money Market Funds Index</i>	.00	.00	.00	.96	.94	.76
Total Fixed Income	.06	-1.22	-.39	4.98	2.89	3.00
<i>Bloomberg US Aggregate Bd Index</i>	.05	-1.55	-.90	5.36	2.94	3.16
Total Equities	-1.05	13.25	30.68	12.83	13.77	10.84
Large Cap Funds	.51	15.82	30.18	15.68	16.48	13.29
<i>S&P 500 Composite Index</i>	.58	15.92	30.00	15.99	16.90	14.15
Mid Cap Funds	-.98	14.91	37.78	14.48	14.61	11.31
<i>Russell Midcap Index</i>	-.93	15.17	38.11	14.22	14.39	11.70
Small Cap Funds	-4.32	12.69	47.74	10.04	12.80	10.78
<i>Russell 2000 Index</i>	-4.36	12.41	47.68	10.54	13.45	10.90
International Equities	-3.46	5.66	22.61	8.53	8.88	5.98
<i>MSCI EAFE Index</i>	-.45	8.35	25.73	7.62	8.81	5.66
<i>MSCI EM Free Index</i>	-8.09	-1.25	18.20	8.58	9.23	6.07
RR: REITS	.61	22.02	32.79	11.05		
<i>Wilshire REIT Index</i>	1.64	24.79	38.04	10.39	6.97	7.98
Total Managed Portfolio	-.82	9.56	22.35	11.66	11.10	8.95

Performance Inception: 6/01/2015

Returns are gross of fees unless otherwise noted. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured, have no bank guarantee, and may lose value. *The performance aggregate represents from June 1, 2015 to February 28, 2017 investment in account 6746019210 PARS/PRHCP Capital Appreciation HM Plus. From March 1, 2017 to August 31, 2018 the Plan was invested in account 6746050111 PARS/PRSP Capital Appreciation Index. Plan dollars were transferred on September 1, 2018 into account 6746059400, and maintained the same investment objective of capital appreciation index.

Asset Allocation – OPEB Plan - 6746059400

As of September 30, 2021

Current Asset Allocation		Investment Vehicle		
Equity	78.15%		Range: 65%-85%	\$2,282,003
Large Cap Core	23.07%	IVV	iShares Core S&P 500 ETF	\$673,802
Large Cap Value	9.90%	IVE	iShares S&P 500 Value ETF	\$289,095
Large Cap Growth	8.61%	IVW	iShares S&P 500 Growth ETF	\$251,294
Mid Cap Core	6.36%	IWR	iShares Russell Mid-Cap ETF	\$185,616
Small Cap Value	5.85%	IWN	iShares Russell 2000 Value ETF	\$170,965
Small Cap Growth	5.75%	IWO	iShares Russell 2000 Growth ETF	\$167,933
International Core	11.42%	IEFA	iShares Core MSCI EAFE ETF	\$333,605
Emerging Markets	5.20%	VWO	Vanguard FTSE Emerging Markets ETF	\$151,880
Real Estate	1.98%	VNQ	Vanguard Real Estate ETF	\$57,811
Fixed Income	20.65%		Range: 10%-30%	\$603,157
Short-Term	2.38%	VFSUX	Vanguard Short-Term Investment-Grade Adm	\$69,632
Intermediate-Term	16.95%	AGG	iShares Core US Aggregate Bond ETF	\$495,032
High Yield	1.32%	VWEAX	Vanguard High-Yield Corporate Adm	\$38,493
Cash	1.20%		Range: 0%-20%	\$35,051
	1.20%	FGZXX	First American Government Oblig Z	\$35,051
TOTAL	100.00%			\$2,920,211

Moraga Orinda Fire Protection District

September 7, 2021

Andrew Brown, CFA
Director & Senior Portfolio Manager



Moraga Orinda Fire Protection District - Sample Portfolio Asset Allocation

All Equity Allocation

Asset Class	Weight	Asset Class Expected Return**
Equity	100.00%	
Large Cap Core	29.58%	6.80%
Large Cap Value	12.64%	6.60%
Large Cap Growth	11.06%	7.10%
Mid Cap Core	8.16%	7.10%
Small Cap Value	7.46%	7.40%
Small Cap Growth	7.46%	8.80%
Real Estate	2.54%	6.60%
International	14.58%	7.30%
Emerging Markets	6.52%	7.30%
Fixed Income	0.00%	
Cash	0.00%	
Expected Return*	7.35%	
Expected Standard Deviation	16.69%	



This Sample Portfolio has been prepared for the sole use of the **Moraga Orinda Fire Protection District**. While the information contained herein has been obtained from sources believed to be accurate and reliable, any other reproduction or use of this information may necessitate further disclosures in order to ensure that the presentation is accurate, balanced, and conforms to all applicable regulatory requirements. The above information is for illustrative purposes only and is not intended to provide investment recommendations as to which securities to buy or sell, or when to buy or sell securities. Each Sample Portfolio is a hypothetical portfolio only and does not reflect actual investment decisions or recommendations and does not represent actual trading or actual portfolio performance. An actual client's portfolio construction and performance may vary depending on the client's investment needs, objectives, restrictions, and market conditions. Asset allocation ranges and performance for each investment objective may also vary depending on the prevailing market conditions. Past performance is no indication of future results. For institutional investor use only. Data as of March 2021.

*Expected Returns are based on 30-year returns for various asset classes. Please see disclosure page for additional details on Expected Return and Expected Standard Deviation.

**Expected Asset Class returns may be derived from different indexes than requested to be used in the sample portfolio. The rate provided is a geometric rate of return for that specific asset class only.

Source: Factset

Disclosures

Each strategy represented as a Sample Portfolio is a hypothetical portfolio only and does not reflect actual investment decisions or recommendations. It is solely for illustrative purposes and is subject to change at any time. It is not intended to represent a specific investment. It does not reflect the liquidity constraints of actual investing or the impact that material economic and market factors may have on an investment adviser's decision-making. Investors cannot invest in the Sample Portfolio and actual investment results may differ materially. An account could incur losses as well as gains. The Sample Portfolio does not reflect the deduction of advisory fees, brokerage, commissions, or any other actual client expenses, which would reduce investor returns. The sample portfolio does not always reflect the potential impact of active management, excluding those investments that are only available from an active manager. Advisory fees are described in Form ADV, Part 2A and are available upon request.

A Sample Portfolio's expected return (comprised of capital appreciation and income/dividends) is calculated the following way:

1. The expected return of each asset class in a given Sample Portfolio is determined through a combination of historical rates of returns, valuation projections, and economic expectations. Expected rates of return are provided by HighMark proprietary research which incorporates Wilshire Associates Incorporated assumptions. Expected rates of return are developed and annually reviewed by HighMark's Asset Allocation Committee.
2. With 30-year forecasts for U.S. Treasuries, Wilshire's ten year forecast for U.S. Treasuries is used as the assumed return for the first ten years of the 30-year period. Over the following twenty years (years 11-30), Wilshire's ULT forecast is used as the assumed return for U.S Treasuries. The resulting combination of the assumed return on U.S. Government bonds over the two periods becomes HighMark's 30-year forecast subject to rounding. All other taxable fixed income asset classes are derived from the expected return on U.S. Treasuries plus a credit or term premium consistent with those of the ten year forecasts.
3. With 30-year forecasts for global equity, Wilshire's ten year forecast for global equity is used as the assumed return for the first ten years of the 30-year period. Over the following twenty years (years 11-30), Wilshire's ULT forecast is used as the assumed return for global equities. The return on cash over this period is derived from the 10 and 30-year cash assumptions. The resulting combination of the assumed global equity returns over the two periods becomes HighMark's 30-year forecast subject to rounding.
4. Returns reflect the reinvestment of dividends, interests, and other distributions.
5. An expected return for the Sample Portfolio is then calculated by weighting the returns for each asset class according to the exposure as determined by HighMark's current strategic allocation.

Expected returns generated are before taxes and any fees. The standard deviation for an asset class represents its possible divergence of the actual return for an asset class from its expected return. It is a statistical measure of the potential magnitude of volatility of an asset class from its expected return. The range of returns may be higher or lower than those predicted by expected standard deviation.

In certain sub asset classes where Wilshire does not provide a discrete 10-year return forecast, HighMark supplements Wilshire's 10-year expected returns with its proprietary methodology which is based on various market and economic factors some of which are described below. To obtain a full copy of the methodology please contact hcasalesupport@unionbank.com.

- US Equities – Expected returns at sub asset class level are determined by starting with Wilshire Broad Market 10 year forecast and interpolating into sub asset class returns by referencing Wilshire 5000 index data.
- Municipal Bonds – HighMark determines expected returns by assuming there will be historical return discounts for municipal bonds relative to U.S. Treasuries.
- Alternative Investments - Expected total return forecasts for alternative investments begin with the forecast for the return on cash over the respective time-horizon and adjusting for estimating the Sharpe ratio (excess return / standard deviation) of each alternative strategy based on the observed long-term performance of a representative strategy specific hedge fund peer group index.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**



Moraga-Orinda Fire District

TO: Board of Directors

FROM: David Winnacker, Fire Chief
Gloriann Sasser, Administrative Services Director

DATE: November 17, 2021

SUBJECT: Item 8.3 – Quarter One Financial Update and Budget Review FY2022

Background

A quarterly financial update and budget review has been prepared. Current financial reports for the period July 1, 2021 through September 30, 2021 are attached (Attachment A). The financial reports contain updated revenue and expenditure projections for the current fiscal year.

The FY2022 Budget reflects a General Fund surplus of \$744K. The Budget includes appropriations for a contribution to the OPEB trust account of \$435K and to the pension rate stabilization trust in the amount of \$2.362M. Salary increases of 4% have been included in the projections. Increases in revenue through quarter one and revised projections have resulted in an updated projected General Fund surplus of \$1.0M.

Present Situation through Quarter One - General Fund Revenue

Total General Fund revenue for FY2022 is projected to exceed budget by \$1.2M. The revenue in excess of budget is primarily due to increased ambulance revenue (\$1.1M.) The District’s most important revenue source is property tax revenue. The District budgeted property tax revenue of \$26.5M. Staff projects actual property tax revenue will meet budget. In August 2021 Contra Costa County credited the District with secured property tax revenue in the amount of \$24.2M. The District will receive additional secured property tax revenue in December 2021 (projected amount \$1.2M.) Unsecured property tax revenue was received in the amount of \$588K. Additional unsecured property tax revenue will be received in June 2022 (projected amount \$47K.)

Based on the first quarter, ambulance service revenue is expected to exceed budget by \$1.1M. However, there is still significant uncertainty in this revenue category. At the beginning of COVID the District experienced a 60% reduction in ambulance transports. Ambulance transports have rebounded somewhat from the beginning of COVID but are still less than recent years:

Ambulance Calls	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
FY2021	110	117	144									
FY2020	144	152	141	148	145	175	160	143	131	77	97	131
FY2019	139	163	145	184	144	162	150	145	170	155	148	127
FY2018	117	130	129	149	128	157	174	150	180	153	161	120

Charges for fire prevention services/plan reviews are projected less than budget \$54K due to a reduction in plan review activity. Quarter one plan review revenue is 54% less than the same time period last year (\$28K v. \$61K) because last year during quarter one a developer paid for plan reviews for 34 new homes in Wilder.

Strike team cost recovery revenue is projected to exceed budget by \$189K due to increased strike team activity. This revenue increase is partially offset by an increase in overtime expenditures.

Present Situation through Quarter One – General Fund Expenditures

Total District General Fund expenditures for FY2022 are projected to exceed budget by \$923K. This is primarily due to increased overtime costs (\$1.1M.) Notable General Fund expenditures are discussed as follows:

- Permanent salaries are projected less than budget \$325K primarily due to six vacant/unpaid firefighter paramedic positions. Salary increases of 4% approved by the Board have been included in the projected amounts but had not been paid as of the September 30, 2021 amounts.
- Overtime will likely exceed budget. The six vacant/unpaid positions result in increased overtime. Leave usage is higher than previous years (see additional information below.) Increased leave usage results in increased overtime costs.
- Strike team overtime is projected to exceed budget by \$170K due to increased strike team activity. These additional expenditures are offset by additional strike team cost recovery revenue.
- Retirement contributions are projected less than budget \$217K due to six vacant/unpaid firefighter paramedic positions.
- Operating expenses are projected to be within budget

After quarter one, the General Fund is projected to end the year with a surplus of \$1.0M, which is more than the budgeted surplus of \$744K.

Leave Usage

Leave usage for quarter one of the fiscal year compared to quarter one of prior fiscal years is as follows:

FY2022	10,007 (44% higher than FY2021 and 130% higher than FY2020)
FY2021	6,963 hours used
FY2020	4,353 hours used
FY2019	4,273 hours used

OPEB Contribution

The District's OPEB actuarial valuation was updated as of June 30, 2021. The updated valuation reflects a FY2022 OPEB contribution of \$303,906. The budget includes \$434,528 for the OPEB contribution based on the prior actuarial valuation. If the Board chooses to contribute the updated lower amount, the General Fund surplus would increase by \$130,622.

Present Situation through Quarter One – Capital Projects Fund Expenditures

The Capital Projects Fund has a projected deficit of (\$506K) primarily due to grant revenue received in the prior year. Fire flow taxes have been calculated and placed on the tax roll and are

projected to exceed budget \$2K. Planned capital expenditures of \$875K include the purchase of an oxygen generator and fill station, a chipper and truck, one utility pickup truck, evacuation software and solar at fire stations.

The Budget included \$80,000 to purchase monitors for ambulances. The capital purchase has been completed and resulted in savings of \$62K by repurposing a back-up monitor.

Present Situation through Quarter One - Debt Service Fund Revenue and Expenditures

The Debt Service Fund Budget projected a deficit of \$2.1M due to planned use of debt service reserves. This is the final year that property tax revenue is required to be used for pension obligation bond debt service payments. Actual results are trending appropriately.

Cash Flow Analysis

The District began the fiscal year on July 1, 2021 with \$15.7M in cash and investments. The next major cash inflow will occur in December 2021 when the District will receive the next cash payment from the County for property tax payments (projected \$12M.) The balance outstanding from the State for strike team activity was \$1.9M as of September 30, 2021.



Recommended Action

Staff recommends no action at this time. The next financial update will be the Mid-Year Budget Review which will be presented to the Board in February 2022.

Attachments

Attachment A – Statement of Revenues and Expenditures

Moraga-Orinda Fire District
General Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	<u>Current Period Actual</u>	<u>Amended Budget</u>	<u>Projected Actual FY 2022</u>	<u>Projected Variance</u>
Revenue				
Taxes				
Property Tax-Current Secured	\$24,238,115	\$25,467,158	\$25,467,158	\$0
Property Tax-Supplemental	149,601	300,000	300,000	0
Property Tax-Unitary		200,000	200,000	0
Property Tax-Curr Unsecured	588,185	635,000	635,000	0
Prop Tax- Prior Secured		(60,000)	(60,000)	0
Prop Tax-Prior Supplement		(40,000)	(40,000)	0
Prop Tax Prior Unsecured	11,987	(10,000)	(10,000)	0
Total Property Taxes	<u>24,987,888</u>	<u>26,492,158</u>	<u>26,492,158</u>	<u>0</u>
Investment Earnings	<u>202</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>
Intergovernmental Revenue				
Homeowners Relief Tax		147,000	147,000	0
State Grants		200,000	200,000	0
Federal Grants - SAFER				0
Other/In Lieu of Taxes		900	900	0
Measure H-Emerg Med Ser Subsid		85,248	85,248	0
Total Intergovernmental Revenue	<u>0</u>	<u>433,148</u>	<u>433,148</u>	<u>0</u>
Charges for Service				
Permits	355	4,000	4,000	0
Plan Review	27,859	175,000	111,436	(63,564)
Inspection Fees	6,523	2,000	11,000	9,000
Weed Abatement Charges	(1,870)	35,000	35,000	0
Reports/ Photocopies	114	350	350	0
Other Charges for Service	1,510	1,000	2,000	1,000
Total Charges for Service	<u>34,491</u>	<u>217,350</u>	<u>163,786</u>	<u>(53,564)</u>
Charges for Service-Ambulance				
Ambulance Service Fees	547,064	1,122,000	2,188,256	1,066,256
Ambulance Write Offs		(102,000)	(102,000)	0
Ambulance Collection Recovery	2,261	5,000	5,000	0
Ground Emergency Medical		(40,000)	(40,000)	0
Total Ambulance	<u>549,325</u>	<u>985,000</u>	<u>2,051,256</u>	<u>1,066,256</u>
Other Revenue				
Strike Team Cost Recovery	119,178	700,000	888,889	188,889
Other Revenue & Financing Sources		18,000	18,000	0
Other Revenue-Misc.	6,624	1,000	8,000	7,000
Misc Rebates & Refunds	9,040	1,000	10,000	9,000
Sale of Surplus Property		500	500	0
Total Other Revenue	<u>134,842</u>	<u>720,500</u>	<u>925,389</u>	<u>204,889</u>
Total Revenue	<u>25,706,748</u>	<u>28,883,156</u>	<u>30,100,737</u>	<u>1,217,581</u>
Expenditures				

Moraga-Orinda Fire District
General Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	<u>Current</u> <u>Period Actual</u>	<u>Amended</u> <u>Budget</u>	<u>Projected</u> <u>Actual FY</u> <u>2022</u>	<u>Projected</u> <u>Variance</u>
Salaries & Benefits				
Permanent Salaries	2,417,458	10,381,499	10,056,625	324,874
Temporary Salaries	29,593	97,637	123,107	(25,470)
Overtime	708,468	1,850,000	2,947,227	(1,097,227)
Deferred Compensation	5,526	22,704	27,004	(4,300)
Overtime - Strike Team	650,066	630,000	800,000	(170,000)
Contract Services	59,932	175,000	239,728	(64,728)
Worker's Compensation	(65,938)	(80,000)	(80,000)	0
Payroll Taxes -FICA,SUI	58,706	196,682	244,217	(47,535)
Payroll Processing Fees	2,696	23,000	23,000	0
Retirement Contributions	1,316,588	5,694,133	5,477,006	217,127
Health Insurance	358,491	1,535,316	1,469,813	65,503
Employee's-Health Insurance	(53,627)	(228,024)	(150,000)	(78,024)
Retiree Health Insurance	292,321	1,231,000	1,198,516	32,484
Retiree-Health Insurance	(86,364)	(355,000)	(345,456)	(9,544)
Unemployment Insurance		11,000	11,000	0
Retiree-Health OPEB		434,528	434,528	0
Vision Insurance	4,293	20,568	20,568	0
Pension Rate Stabilization		2,362,470	2,362,470	0
Workers' Compensation	279,681	1,113,239	1,118,724	(5,485)
Total Salaries & Benefits	<u>5,977,890</u>	<u>25,115,752</u>	<u>25,978,077</u>	<u>(862,325)</u>
Operating Expense				
Office Supplies	1,883	8,400	8,400	0
Postage	1,350	3,000	3,000	0
Books & Periodicals		2,460	2,460	0
Printer Ink Cartridges	1,003	2,500	2,500	0
Telephone/Communication	13,658	50,300	50,300	0
Dispatch/Comm Center Services		194,500	194,500	0
Utilities- Sewer		4,600	4,600	0
Utilities-Garbage	4,465	15,400	15,400	0
Utilities-PG&E	14,254	72,050	72,050	0
Utilities-Water	4,340	24,150	24,150	0
Utilities-Medical Waste	361	2,200	2,200	0
Small Tools & Instruments	1,130	9,500	9,500	0
Minor Equipment/Furniture	102	1,500	1,500	0
Computer Equipment & Supplies		2,000	2,000	0
Gas Power Chain Saw/Other	1,418	6,800	6,800	0
Fire Trail Grading	6,181	25,000	25,000	0
Fire Fighting Equipment &	488	55,000	55,000	0
Fire Fighting Equipment-Hoses &	762	10,000	10,000	0
Fire Fighting Equipment-Class A	6,954	10,000	10,000	0

Moraga-Orinda Fire District
General Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	Current Period Actual	Amended Budget	Projected Actual FY 2022	Projected Variance
Medical & Lab Supplies	24,333	125,000	125,000	0
Food Supplies		5,500	5,500	0
Safety Clothing & Personal	5,073	60,000	60,000	0
Household Expense	1,969	19,200	19,200	0
Household Expense-Linen	1,554	6,440	6,440	0
Public & Legal Notices		10,000	10,000	0
Dues, Memberships &	2,384	22,820	22,820	0
EMT/Paramedic Licensure Fees	250	4,000	4,000	0
Rent & Leases (Equipment)	6,558	30,500	30,500	0
Computer Software	47,595	75,850	75,850	0
Website Development & Mtc	5,040	5,040	5,040	0
EPA ID# Verification Fee		150	150	0
CCC HazMat Plan (CUPA)	2,977	3,650	3,650	0
BAAQMD & Environmental	382	900	900	0
Air Monitor Maintenance		10,000	10,000	0
Maintenance -- Equipment	1,097	82,800	82,800	0
Central Garage Repairs	10,039	280,000	280,000	0
Central Garage Gasoline & Oil	18,396	65,000	65,000	0
Central Garage Tires	5,942	12,000	12,000	0
Service/Repair Fuel System	298	2,500	2,500	0
Aerial Ladder & Pump Testing		1,000	1,000	0
Smog Inspections		500	500	0
Air Compressor Quarterly		6,000	6,000	0
Hydro Test SCBA & Oxy Cylinder	2,056	30,000	30,000	0
Tank Testing		1,120	1,120	0
Maintenance -- Building	6,994	98,000	98,000	0
Maintenance -- Grounds	2,785	12,400	12,400	0
Meetings & Travel Expenses		1,500	1,500	0
Employee Assistance Program		9,800	9,800	0
Medical - Pre-Emp Processing		30,000	30,000	0
Ambulance Billing	11,405	60,000	60,000	0
Outside Attorney Fees	17,801	150,000	150,000	0
CCC County Tax Administration		215,000	215,000	0
Professional Services	401	42,500	42,500	0
Prof - Labor Negotiator	4,712	10,000	10,000	0
Prof Services - Technology	48,447	207,480	207,480	0
Prof Services - Pre-Employment	450	10,000	10,000	0
Prof Services - Promotional		1,000	1,000	0
Prof Services - OPEB		8,000	8,000	0
Exterior Hazard Removal		35,000	35,000	0
Professional Services-Prop Tax		7,350	7,350	0

Moraga-Orinda Fire District
General Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	<u>Current Period Actual</u>	<u>Amended Budget</u>	<u>Projected Actual FY 2022</u>	<u>Projected Variance</u>
Professional Services		14,000	14,000	0
Testing Materials & Training	8,424	40,000	40,000	0
Career Development Classes	510	25,000	25,000	0
Training & Education Classes-		10,000	10,000	0
District Sponsored Training-		15,000	15,000	0
Strike Team Supplies	26,706	60,000	60,000	0
Community Emergency	169	8,000	8,000	0
Exercise Supplies/Maint.	1,649	13,900	13,900	0
Recognition Supplies		7,350	7,350	0
Other Special Departmental Exp	80,502	361,800	361,800	0
Public Education Supplies	657	6,000	6,000	0
LAFCO	12,637	18,000	18,000	0
Emergency Preparedness	4,981	11,000	11,000	0
Misc. Services & Supplies	1,273	10,500	10,500	0
Fire Chief Contingency	1,239	100,000	100,000	0
Property & Liability Insurance	122,767	62,000	122,767	(60,767)
Total Operating Expense	<u>548,801</u>	<u>3,019,910</u>	<u>3,080,677</u>	<u>(60,767)</u>
Bank Fees	673	3,000	3,000	0
County Tax Collection Fees		300	300	0
Total Other Expense	<u>673</u>	<u>3,300</u>	<u>3,300</u>	<u>0</u>
Total Expenditures	<u>6,527,364</u>	<u>28,138,962</u>	<u>29,062,054</u>	<u>(923,092)</u>
Excess of Revenues Over Exp	<u>\$19,179,384</u>	<u>\$744,194</u>	1,038,683	<u>\$294,489</u>
Fund Balance Unassigned July 1, 2021			<u>11,964,650</u>	
Fund Balance Unassigned Projected June 30, 2022			<u>\$13,003,333</u>	

Moraga-Orinda Fire District
Capital Projects Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	<u>Current Period Actual</u>	<u>Amended Budget</u>	<u>Projected Actual FY 2022</u>	<u>Projected Variance</u>
Revenue				
Fire Flow Tax	\$1,096,800	\$1,095,000	\$1,096,800	\$1,800
Investment Earnings		10,000	10,000	0
Impact Mitigation Fees		20,000	20,000	0
Federal Grant Revenue			<u>165,000</u>	<u>165,000</u>
Total Revenue	<u>1,096,800</u>	<u>1,125,000</u>	<u>1,291,800</u>	<u>166,800</u>
Expenditures				
Bank Fees	45	200	200	0
Fire Flow Tax Collection Fees		14,000	14,000	0
Equipment	18,432	145,000	83,432	61,568
Apparatus/Vehicles		273,000	273,000	0
Software		165,000	165,000	0
Station Improvements		<u>339,500</u>	<u>339,500</u>	<u>0</u>
Total Expenditures	<u>18,477</u>	<u>936,700</u>	<u>875,132</u>	<u>61,568</u>
Transfers Out to Debt Service	<u>(160,795)</u>	<u>(922,448)</u>	<u>(922,448)</u>	<u>0</u>
Expenditures Over Revenue	<u>\$917,528</u>	<u>(\$734,148)</u>	<u>(505,780)</u>	<u>\$228,368</u>
Fund Balance July 1, 2021			<u>4,923,162</u>	
Fund Balance Projected June 30, 2022			<u>\$4,417,382</u>	

Moraga-Orinda Fire District
Debt Service Fund
Statement of Revenues and Expenditures
July 1, 2021 through September 30, 2021

	<u>Current</u> <u>Period Actual</u>	<u>Budget</u>	<u>Projected</u> <u>Actual FY</u> <u>2022</u>	<u>Projected</u> <u>Variance</u>
Revenue				
Property Tax-Current Secured	\$1,730,869	\$1,730,869	\$1,730,869	\$0
Investment Earnings	31	500	500	0
Total Revenue	<u>1,730,900</u>	<u>1,731,369</u>	<u>1,731,369</u>	<u>0</u>
Expenditures				
Pension Oblig Bond Principal	3,610,000	3,610,000	3,610,000	0
Pension Oblig Bond Interest	137,155	180,090	180,090	0
Apparatus Lease Principal		592,791	592,791	0
Apparatus Lease Interest		8,458	8,458	0
Lease Station 43 Principal	130,000	261,000	261,000	0
Lease Station 43 Interest	30,795	60,199	60,199	0
Total Expenditures	<u>3,907,950</u>	<u>4,712,538</u>	<u>4,712,538</u>	<u>0</u>
Transfer In From Capital Projects	160,794	922,448	922,448	0
Transfer Out to General Fund	<u>(202)</u>		<u>(202)</u>	<u>(202)</u>
Excess of Revenues Over Exp	<u>(\$2,016,458)</u>	<u>(\$2,058,721)</u>	(2,058,923)	<u>(\$202)</u>
Fund Balance July 1, 2021			<u>3,747,327</u>	
Fund Balance Projected June 30, 2022			<u>\$1,688,404</u>	



Moraga-Orinda Fire District

TO: Board of Directors
FROM: David Winnacker, Fire Chief
DATE: November 17, 2021
SUBJECT: **Item 8.4 – Approval of a Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024; Approval of Salary Schedule Effective July 1, 2021**

Background

The District and Moraga-Orinda Fire Chief Officers Association (MOFCOA) began contract negotiations in May 2021. The two parties successfully reached a tentative agreement on October 28, 2021.

Discussion

The term of the recommended Memorandum of Understanding (MOU) (Attachments A and B) is July 1, 2021 – June 30, 2024. Significant items in the MOU are as follows:

Base Salary

The MOU includes salary increases as follows:

- July 1, 2021 4.0% pay increase
- July 1, 2022 4.0% pay increase
- July 1, 2023 5.0% pay increase

The Salary Schedule (Attachment C) has been updated to reflect the above salary increase.

Health Care Benefits – Active Employees

The MOU provides the following increase to the monthly amounts paid for health insurance effective July 1, 2021:

	Current Monthly Amount	Monthly Amount New MOU	Monthly Increase
Employee only	\$715	\$798	\$83
Employee +1	\$1,429	\$1,595	\$166
Employee +2 or more	\$1,858	\$2,073	\$215

The monthly amount is capped throughout the contract term as detailed above. No increases are included in the MOU for 2022, 2023 or 2024.

Deferred Compensation Account

The MOU increases the District's contribution towards deferred compensation from \$50 per month to \$150 per month.

Retiree Health Savings Account

The MOU implements a retiree health savings account with a District contribution of \$100 per month for all active bargaining unit members. This account is a defined contribution account and does not increase District unfunded liabilities.

Overtime Compensation

The MOU increases battalion chief overtime compensation to include Fire Captain Paramedic I hourly upgrade acting pay. Effective July 1, 2021 overtime compensation will increase from \$84.27 per hour to \$87.08 per hour, an increase of \$2.81 per hour.

Vacation Accruals

The MOU increases the monthly vacation accrual rate for battalion chiefs with 11 to 14 years of service with the District from 18 to 19 hours per month. This change matches the Local 1230 contract so when an employee promotes to battalion chief they maintain the same vacation accrual as earned prior to the promotion.

Retirement Contributions

The MOU provides no changes to retirement contributions. Employees in the 3% at 50 retirement formula will continue to pay the employee's share of retirement contributions and 9% of the District/employer's share of retirement contributions throughout the contract.

Financial Cost – Fully Burdened

The projected fully burdened additional annual cost including retirement costs and payroll taxes of the MOU is as follows:

	Projected Additional Annual Cost FY2022	Projected Additional Annual Cost FY2023	Projected Additional Annual Cost FY2024	Projected Additional Annual Cost Total
Salary increases 4%/4%/5%	\$48,542	\$50,483	\$53,007	\$152,032
Medical insurance increases to \$798/\$1,595/\$2,073	\$5,160	Ongoing	Ongoing	\$5,160
Retiree health savings account contribution all employees - \$100 per month	\$3,675	Ongoing	Ongoing	\$3,675
Deferred comp - \$100 per month	\$3,600	Ongoing	Ongoing	\$3,600
Overtime add acting pay rate	\$7,000	\$7,280	\$7,644	\$21,924
Increase vacation hours 18 to 19	\$2,184	\$2,271	\$2,362	\$6,818
Total	\$70,161	\$60,035	\$63,014	\$193,209

The above costs are based on 3 battalion chief positions. In addition to the costs above, a salary increase in excess of 3.25% will result in a pension plan actuarial loss. This may increase the District's required payments to CCCERA beginning in FY2024 and may increase the District's contribution to the Pension Rate Stabilization Trust Fund beginning in FY2022. The additional Pension Rate Stabilization Trust Fund contribution for FY2022 is projected to be \$43,000 for all District positions; however this is an estimate and may vary due to external factors such as investment returns.

General Fund Budget Adjustment

Consistent with Board direction at the October 27, 2021 board meeting, the additional costs will be included in a budget adjustment during the Mid-Year Budget Review process.

Long Range Financial Forecast

Scenario C of the Long Range Financial Forecast has been updated to reflect the terms of the MOU (Attachment D).

Recommended Action

Staff recommends the following:

- Approval of the Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024
- Approval of the Salary Schedule Effective July 1, 2021

Attachments

- Attachment A – Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024 (Red lined version to show all changes)
- Attachment B – Memorandum of Understanding between the District and Moraga-Orinda Fire Chief Officers Association for the period July 1, 2021 – June 30, 2024 (Final version for signature)
- Attachment C – Salary Schedule Effective July 1, 2021
- Attachment D – Long Range Financial Forecasts November 2021 and April 2021



~~MURAGA-ORINDA FIRE DISTRICT~~ MORAGA-ORINDA
FIRE PROTECTION DISTRICT

BATTALION CHIEF

MEMORANDUM OF UNDERSTANDING
July 1, 2021 through June 30, 2024

This Memorandum of Understanding (hereinafter MOU) is entered into pursuant to the Meyers-Milias-Brown Act (California Government Code Section 3500 et seq.) by and between the Moraga-Orinda Fire District (the District) and the Moraga-Orinda Fire Chief Officers Association (MOFCOA).

As a result of meet and confer sessions, and by ratifying this MOU, the District authorizes for the rank of Battalion Chief; various pay incentives, differentials,

leaves and pay for time not worked, benefits, allowances, and terms and conditions of employment for the period from July 1, ~~2018-2021~~ through June 30, ~~2021~~2024

TABLE OF CONTENTS

	<u>Page</u>
I. INCENTIVES	1
A. Deferred Compensation Incentive	1
B. Battalion Chief Educational Incentive Program:	1
II. LEAVES WITH AND WITHOUT PAY	1
A. Holidays	1
B. Vacation Accrual:	2
C. Administrative Leave:	2
D. Sick Leave	3
E. Leave Without Pay-Use Of Accruals	3
III. BENEFITS AND ALLOWANCES	4
A. Medical/Dental:	4
B. PERS Long Term Care	5
C. <u>Retiree Health Savings Account</u>	<u>5</u>
D. Health Care Spending Account:	5
E. Workers' Compensation:	6
F. Mileage Reimbursement'	6
G. Management Life Insurance:	6
H. Training:	6
I. Management Development Policy:	6
J. Uniform Allowance:	6
K. Sick Leave Incentive Plan:	6
IV. CURRENT TERMS AND CONDITIONS OF EMPLOYMENT	7
A. Educational Qualifications:	7
B. Administrative Provision:	7
C. Salary:	7
D. Work Schedule	8
E. Battalion Chief Seniority Ranking*	8
F. Overtime Compensation:	8

G. Strike Team / Mutual Aid Compensation: 8

	H.	Management Rights (New Section):	8
	I.	Management Expectations:	9

98
62
09
4.
1
M
O
13
7-
00
3

I. INCENTIVES

A. Deferred Compensation Incentive:

The District's contribution to management employees who participate in the District's Deferred Compensation Plan will be ~~\$50-150~~ per month. To be eligible for this incentive, qualifying management employees must maintain a minimum monthly contribution of \$100 to the deferred compensation plan. The base contribution is computed from the date the employee signs an election form to participate in the program. Employees who discontinue contributions or who contribute less **than the required amount per month** for a period of one (1) month or more will no longer be eligible for the ~~\$50-150~~ District supplement. To reestablish eligibility, employees must again establish a minimum monthly contribution of \$100 to the deferred compensation plan.

B. Battalion Chief Educational Incentive Program:

1. Employees in Fire District Management classifications, who possess the appropriate certificates or educational degrees beyond the minimum requirements for their class and/or meet appropriate continuing educational requirements, shall be eligible to qualify for professional development educational incentives under conditions described herein.
2. All differentials **shall be designated as permanent allowances and shall be awarded in increments** of 2.5% of monthly base salary. The permanent educational incentives awarded any employee in the class listed above shall not exceed 5% of monthly base pay. The program is intended to encourage the further professional development of Battalion Chiefs by the pursuit and achievement of job-related certificates or degrees as follows:

Permanent Allowances:

Battalion Chiefs who hold a Baccalaureate Degree from an accredited college or university with a major in Fire Technology, Business Administration, Management and Supervision, or a related field as approved by the Fire Chief shall receive an additional 2.5%.

Battalion Chiefs who hold a Master's Degree from an accredited college or university with a major in Fire Technology, Business Administration, Management and Supervision, or a related field as approved by the Fire Chief shall receive an additional 2.5%.

11. LEAVES WITH AND WITHOUT PAY

A. Holidays:

The District will observe the following holidays:

January 1st, known as New Year's Day
Third Monday in January, known as Dr. Martin Luther King Jr. Day
Third Monday in February, known as Presidents Day
February 12th, known as Lincoln's Birthday

The last Monday in May, known as Memorial Day
 July 4th, known as Independence Day
 First Monday in September, known as Labor Day
 September 9th, known as Admission Day
 Second Monday in October, known as Columbus Day
 November 11th, known as Veteran's Day
 Fourth Thursday in November, known as Thanksgiving Day
 The Friday after Thanksgiving Day
 December 25th, known as Christmas Day

Such other days as the Board of Directors may by resolution designate as holidays.

Employees assigned to the rank of Battalion Chief who were promoted on or before December 31, 2010 and previously were eligible for floating holiday hours will no longer accrue floating holiday hours. Employees with floating holiday balances earned prior to this MOU will retain the same rights to cash out these floating holiday hours upon separation or retirement as used prior to adoption of this MOU.

Battalion Chiefs who are working a 56-hour work schedule will receive twelve (12) hours of additional pay (compensated at time and one-half) for each holiday listed in this section.

B. Vacation Accrual:

All management employees shall accrue paid vacation credit as follows based on total full time fire service experience:

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 5 years	14	336
5 through 14 <u>10</u> years	18	432
<u>11 through 14 years</u>	<u>19</u>	<u>456</u>
15 through 20 years	22	528
21 through 25 years	24	576
26 through 30 years	28	672
31 years and up	33	792

C. Administrative Leave:

Effective July 1, 2014, employees who were promoted to the rank of Battalion Chief on or before December 31, 2010 and previously were eligible for administrative leave hours will no longer accrue administrative leave hours. Employees with administrative leave balances earned prior to this MOU will retain the same rights to use those hours (until the balances are exhausted). Administrative leave hours may not be cashed out either during employment or at time of separation or retirement.

D. Sick Leave:

All employees shall receive sick leave benefits for the term of this MOU in accordance with District policy in effect on June 20, 2007.

E. Leave Without Pay-Use Of Accruals:

Requests for leave without pay shall be made upon forms prescribed by the District and shall state specifically the reason for the request, the date when it is desired to begin the leave, and the probable date of return.

1. Leave without pay may be granted for any of the following reasons:
 - a. illness or disability;
 - b. pregnancy;
 - c. parental;
 - d. to take a course of study such as will increase the employee's usefulness on return to the position;
 - e. for other reasons or circumstances acceptable to the Fire Chief.
2. An employee must request family care leave at least thirty (30) days before the leave is to begin if the need for the leave is foreseeable. If the need is not foreseeable, the employee must provide written notice to the employer within five (5) days of learning of the event by which the need for family care leave arises.
3. A leave without pay may be for a period not to exceed one (1) year, provided the Fire Chief may extend such leave for additional periods. The procedure in granting extensions shall be the same as that in granting the original leave, provided that the request for extension must be made not later than thirty(30) calendar days before the expiration of the original leave.
4. Nevertheless, a leave of absence for the employee's serious health condition or for family care shall be granted to an employee who so requests it for up to eighteen (18) weeks in each calendar year period. The employee may be asked to provide certification of the need for family care leave or medical leave. Additional period(s) of family care or medical leave may be granted by the Fire Chief.

Whenever an employee who has been granted a leave without any pay desires to return before the expiration of such leave, the employee shall submit a request to the Fire Chief in writing at least fifteen (15) days in advance of the proposed return. Early return is subject to prior approval by the Fire Chief.
6. Except in the case of leave of absence due to family care, pregnancy, pregnancy disability, illness, or serious health condition, the decision of the

Fire Chief on granting or denying a leave or early return from leave shall not be subject to appeal through the grievance procedure.

III. BENEFITS AND ALLOWANCES

A. Medical/Dental:

Effective ~~following Board approval of this MOU in the first full pay period of July 2021~~, the District's monthly medical contribution will be set at the PERS minimum contribution level (currently ~~\$133,143~~/month and as subsequently adjusted by PERS and/or statute). The District's maximum further obligation for medical related expenses shall be the difference between the PERS minimum health contribution and the following:

Employee Only	\$68,479
Employee + 1	\$1,368,159
Employee + 2 or more	\$1,778,073

The difference will be placed in a "Premium Expense Account" of the IRS Section 125 Flexible Benefits Plan of Moraga-Orinda Fire District. The "Premium Expense Account" allows participants to use tax-free dollars above the minimum contribution level to pay for health care premiums under the various insurance programs offered by the District above. (See Flexible Benefits Plan Document and Summary Plan Description for full details.) Thus, the District's obligation with respect to District contributions that may be used toward medical premiums is capped as set forth in this section. The District assumes no responsibility regarding the tax consequence of any benefit provided under this MOU.

~~Effective January 1, 2019, the District's maximum obligation for medical related expenses as set forth above shall be increased to the amount of the PERS minimum health contribution plus an additional amount equal to the difference between the PERS minimum health contribution and the following:~~

Employee Only	\$715
Employee + 1	\$1,429
Employee + 2 or more	\$1,858

~~Elimination of Stipend In Lieu of Medical Benefits Program:~~

~~The stipend in lieu of medical benefits program as originally established by means of Board Resolution No. 10-13, was eliminated effective January 1, 2018.~~

~~Pursuant to Board Resolution No. 17-18, the District set aside and preserved, on a monthly basis, monetary amounts equal to those previously paid into 457(B) deferred compensation accounts for employees participating in the program as of December 31, 2017. The District shall pay to such employees a lump sum reflecting their share of these monies for the period January 1, 2018 through February 28, 2019.~~

Dental Program: The District will contribute the following amounts towards the employee's dental insurance:

Employee Only	\$51.20
Employee +1	\$90.12
Employee +2 or more	\$136.35

The District will contribute the following amounts toward the retiree's dental insurance:

Employee Only	\$46.68
Employee +1	\$81.00
Employee + 2 or more	\$116.98

Retiree Medical Coverage: Employees hired prior to July 2, 2014 will receive retiree medical insurance contributions from the District when retiring with CCCERA in an amount equal to the PERS minimum medical insurance contribution level (currently \$119.143/month and as subsequently adjusted by PERS and/or statute), plus the amount contributed to the "Premium Expense Account" of the IRS Section 125 Flexible Benefits Plan of Moraga-Orinda Fire District for active employees. This amount is the difference between the amount of the District's monthly medical plan contribution prior to this MOU:

Employee Only	\$458.42
Employee +1	\$916.82
Employee + 2 or more	\$1,191.87

and the PERS minimum health contribution paid to active employees.

Employees hired on or after July 2, 2014 will receive retiree medical insurance coverage when retiring with CCCERA in an amount equal to the PERS minimum health insurance contribution as set forth as above (currently \$119/month).

Retiree medical coverage is subject to PERS rules and regulations and applicable law.

B. PERS Long Term Care:

Battalion Chiefs are eligible to voluntarily elect to purchase long term care through the PERS Long Term Care Program. The District further agrees that District employees interested in purchasing PERS Long Term Care may participate in meetings scheduled by PERS Long Term Care on District facilities during non-work hours (e.g. coffee breaks, lunch hour).

C. Retiree Health Savings Account:

The District shall contribute \$100 per month towards an RHSA for all active bargaining unit members. This shall be effective in the first full pay period following the selection and implementation of that plan.

C-D. Health Care Spending Account:

The District offers regular full-time District employees the option to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a pre-determined amount of money

from their paycheck, not to exceed \$2,500 per year, for health care expenses not reimbursed by any other health benefits plan with before tax dollars. HCSA dollars can be expended on any eligible medical expenses allowed by Internal

Revenue Code Section 125. Any unused balance can not be recovered by the employee.

E. Workers' Compensation:

A permanent employee shall receive 100% of regular monthly salary for all accepted claims filed as defined under the Workers' Compensation Laws of California, Labor Code Section 4850 .

F. Mileage Reimbursement:

For all employees, mileage allowance for the use of personal vehicles on District business shall be paid according to the rates allowed by the Internal Revenue Service (IRS) and shall be adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the IRS, whichever is later.

G. Management Life Insurance:

Management employees shall continue to be provided with \$50,000 term life insurance policies. Premiums for this insurance shall be paid by the District with conditions of eligibility to be reviewed annually. All employees covered herein may also subscribe voluntarily for supplemental life insurance coverage.

H. Training:

Battalion Chiefs shall be eligible for career development training reimbursement. Reimbursement for job-related training must be directly related to the position of Battalion Chief and must be approved in advance by the Fire Chief on a case-by- case basis.

I. Management Development Policy:

All management employees shall be authorized to attend professional training programs, seminars, and workshops during normal work hours with Fire Chief approval for the purpose of developing knowledge, skills, and abilities, in the areas of supervision, management and District policies and procedures.

J. Uniform Allowance:

Employees in the rank of Battalion Chief will receive a \$80 per month uniform allowance. Effective immediately upon approval of this MOU the District will discontinue reimbursement to employees for the purchase of exercise shoes.

K. Sick Leave Incentive Plan:

Management employees shall be eligible for a payoff of unused sick leave accruals at separation. This program is initiated as an incentive for employees to safeguard sick leave accruals as protection against wage loss due to time lost for injury or illness. Payoff shall be approved by the Fire Chief and can be awarded only under the following conditions:

The employee must have resigned in good standing.

2. Payout is not available if the employee retires.
3. The balance at resignation must be at least 70% of accruals earned in the preceding continuous period of employment, but excluding any sick leave use covered by the Family and Medical Leave Act, the California Family Rights Act, or the California Pregnancy Disability Act.
4. Payout shall be under the following schedule:

<u>Years of Permanent Continuous Service</u>	<u>Percent of Unused Sick leave Paid</u>
3 - 5 years	30%
5 - 7 years	40%
7 plus years	50%

IV. CURRENT TERMS AND CONDITIONS OF EMPLOYMENT

A. Educational Qualifications:

Effective July 2, 2014, a college degree (associates in Fire Technology OR higher degree in Fire Technology, Business Administration, Management and Supervision, or a closely related field) is a requirement to apply for and hold the position of Battalion Chief. Battalion Chiefs promoted prior to July 2, 2014 who do not hold a college degree (associates in Fire Technology OR higher degree in Fire Technology, Business Administration, Management and Supervision, or a closely related field) will not be eligible for salary step increases beyond Step-1 until they hold a degree as described in this section.

B. Administrative Provision:

The Fire Chief shall establish guidelines, bulletins or directives as necessary to further define or implement provisions contained in this MOU.

C. Salary:

Effective on the dates indicated, all classifications covered by this MOU shall have their basic salary schedule adjusted as follows:

July 1, 2018 <u>2021</u>	34.0% <u>34.0%</u> increase
July 1, 2019 <u>2022</u>	34.0% <u>34.0%</u> increase
July 1, 2020 <u>2023</u>	25.0% <u>25.0%</u> increase

A fire retirement allotment (FRA) implemented through a 414 (h) 2 in the amount of 3.91% of base salary has been established. The employee shall pay 100% of the employee contribution toward retirement.

The regular rate of pay equals base monthly salary and fire retirement allotment.

D. Work Schedule:

A, B, and C shifts work a modified 48-96 schedule. The Fire Chief has the option to assign three Battalion Chiefs to a traditional 48-96 shift schedule, forty hour workweek (Training Battalions Chief only) or a modified 48-96 shift schedule.

E. Battalion Chief Seniority Ranking:

Battalion Chief seniority ranking shall be based on date of official promotion for the purposes of vacation selection and items left discretionary by the Fire Chief. The Fire Chief, however, shall have the ultimate decision on shift assignment, programs and duties as assigned.

F. Overtime Compensation:

Battalion Chiefs will be compensated for hours worked outside of their regular work schedule at one and one-half times the top-step Captain-Paramedic I rate plus top-step Captain-Paramedic I hourly upgrade acting pay rate.

G. Strike Team / Mutual Aid Compensation:

Employees in the rank of Battalion Chief and who are responding to the request of Mutual Aid or Automatic Aid under the State Mutual Aid Program shall receive 'pass-through' compensation of the amount reimbursed to the District, according to the annual salary survey submitted to OES (aka The *Fire Assistance Agreement*). The 'pass-through' of funds would occur on incidents deemed "reimbursable" to the District via the five party agreement or other reimbursable requests from the State Mutual Aid System or OES. The payment would be received by the employee on his/her next scheduled paycheck, irrespective to any processing lag time. The rate will not be more than one and one half times the hourly pay rate listed for the position of 'Battalion Chief. On requests deemed to be non-reimbursable, the employee's time shall be applied to satisfy District 'backfill' obligations.

Pass through compensation will be in effect only on days that the employee would ordinarily be scheduled off-duty. There will be no pass-through compensation during the hours the employee would ordinarily be considered to be on-shift.

Pass through compensation for each event must be approved by the Fire Chief. Should reimbursement be denied due to an omission by the responding Battalion Chief, the individual will not receive and/or will return any pass through compensation already provided by the District.

Employees are responsible for ensuring that their absence will not cause a hardship to the District. A maximum of two (2) Battalion Chiefs will be allowed to be assigned to Mutual Aid/Automatic Aid events, and this number should be decreased for known Battalion Chief absences during that time frame (vacation, workers' compensation, classes and seminars which are out of the area, etc.) Battalion Chiefs are responsible for ensuring that scheduled 'duty' days will be appropriately staffed

H. Management Rights ~~(New Section)~~:

All District rights and functions, except those that are expressly abridged by this

Memorandum of Understanding, shall remain vested with the District.

Except to the extent that the rights, powers and authority of the District are specifically limited by the provisions of the Memorandum of Understanding, the District retains all rights, power and authority granted to it or which it has pursuant to the law, and the District shall not be required to meet and confer with respect to the exercise of such rights, powers and authority reserved herein.

L Management Expectations:

The position of Battalion Chief is a management position within the District. This position has program administration duties, which creates the expectation of additional work during non-shift time periods.

NOTE: All terms and conditions contained herein are effective from date of adoption unless otherwise stated.

If the foregoing is in accordance with your understanding. please so acknowledge by signing where indicated below:

APPROVED AND ACCEPTED:

DATE : _____

FOR THE DISTRICT

FOR THE MOFCOA

Donna Williamson
Chief Negotiator

Jerry Lee
Chief Negotiator



MORAGA-ORINDA FIRE PROTECTION DISTRICT

BATTALION CHIEF

MEMORANDUM OF UNDERSTANDING
July 1, 2021 through June 30, 2024

This Memorandum of Understanding (hereinafter MOU) is entered into pursuant to the Meyers-Milias-Brown Act (California Government Code Section 3500 et seq.) by and between the Moraga-Orinda Fire District (the District) and the Moraga-Orinda Fire Chief Officers Association (MOFCOA).

As a result of meet and confer sessions, and by ratifying this MOU, the District authorizes for the rank of Battalion Chief; various pay incentives, differentials, leaves and pay for time not worked, benefits, allowances, and terms and conditions of employment for the period from July 1, 2021 through June 30, 2024

TABLE OF CONTENTS

	<u>Page</u>
I. INCENTIVES	1
A. Deferred Compensation Incentive	1
B. Battalion Chief Educational Incentive Program:	1
II. LEAVES WITH AND WITHOUT PAY	1
A. Holidays	1
B. Vacation Accrual:	2
C. Administrative Leave:	2
D. Sick Leave	3
E. Leave Without Pay-Use Of Accruals	3
III. BENEFITS AND ALLOWANCES	4
A. Medical/Dental:	4
B. PERS Long Term Care	5
C. Retiree Health Savings Account	5
D. Health Care Spending Account:	5
E. Workers' Compensation:	6
F. Mileage Reimbursement'	6
G. Management Life Insurance:	6
H. Training:	6
I. Management Development Policy:	6
J. Uniform Allowance:	6
K. Sick Leave Incentive Plan:	6
IV. CURRENT TERMS AND CONDITIONS OF EMPLOYMENT	7
A. Educational Qualifications:	7
B. Administrative Provision:	7
C. Salary:	7
D. Work Schedule	8
E. Battalion Chief Seniority Ranking•	8
F. Overtime Compensation:	8

G.	Strike Team / Mutual Aid Compensation:	8
H.	Management Rights	8
I.	Management Expectations	9

I. INCENTIVES

A. Deferred Compensation Incentive:

The District's contribution to management employees who participate in the District's Deferred Compensation Plan will be \$150 per month. To be eligible for this incentive, qualifying management employees must maintain a minimum monthly contribution of \$100 to the deferred compensation plan. The base contribution is computed from the date the employee signs an election form to participate in the program. Employees who discontinue contributions or who contribute less **than the required amount per month** for a period of one (1) month or more will no longer be eligible for the \$150 District supplement. To reestablish eligibility, employees must again establish a minimum monthly contribution of \$100 to the deferred compensation plan.

B. Battalion Chief Educational Incentive Program:

1. Employees in Fire District Management classifications, who possess the appropriate certificates or educational degrees beyond the minimum requirements for their class and/or meet appropriate continuing educational requirements, shall be eligible to qualify for professional development educational incentives under conditions described herein.

2. All differentials **shall be designated as permanent allowances and shall be awarded in increments** of 2.5% of monthly base salary. The permanent educational incentives awarded any employee in the class listed above shall not exceed 5% of monthly base pay. The program is intended to encourage the further professional development of Battalion Chiefs by the pursuit and achievement of job-related certificates or degrees as follows:

Permanent Allowances:

Battalion Chiefs who hold a Baccalaureate Degree from an accredited college or university with a major in Fire Technology, Business Administration, Management and Supervision, or a related field as approved by the Fire Chief shall receive an additional 2.5%.

Battalion Chiefs who hold a Master's Degree from an accredited college or university with a major in Fire Technology, Business Administration, Management and Supervision, or a related field as approved by the Fire Chief shall receive an additional 2.5%.

C. LEAVES WITH AND WITHOUT PAY

A. Holidays:

The District will observe the following holidays:

- January 1st, known as New Year's Day
- Third Monday in January, known as Dr. Martin Luther King Jr. Day
- Third Monday in February, known as Presidents Day
- February 12th, known as Lincoln's Birthday

The last Monday in May, known as Memorial Day
 July 4th, known as Independence Day
 First Monday in September, known as Labor Day
 September 9th, known as Admission Day
 Second Monday in October, known as Columbus Day
 November 11th, known as Veteran's Day
 Fourth Thursday in November, known as Thanksgiving Day
 The Friday after Thanksgiving Day
 December 25th, known as Christmas Day

Such other days as the Board of Directors may by resolution designate as holidays.

Employees assigned to the rank of Battalion Chief who were promoted on or before December 31, 2010 and previously were eligible for floating holiday hours will no longer accrue floating holiday hours. Employees with floating holiday balances earned prior to this MOU will retain the same rights to cash out these floating holiday hours upon separation or retirement as used prior to adoption of this MOU.

Battalion Chiefs who are working a 56-hour work schedule will receive twelve (12) hours of additional pay (compensated at time and one-half) for each holiday listed in this section.

B. Vacation Accrual:

All management employees shall accrue paid vacation credit as follows based on total full time fire service experience:

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 5 years	14	336
5 through 10 years	18	432
11 through 14 years	19	456
15 through 20 years	22	528
21 through 25 years	24	576
26 through 30 years	28	672
31 years and up	33	792

C. Administrative Leave:

Effective July 1, 2014, employees who were promoted to the rank of Battalion Chief on or before December 31, 2010 and previously were eligible for administrative leave hours will no longer accrue administrative leave hours. Employees with administrative leave balances earned prior to this MOU will retain the same rights to use those hours (until the balances are exhausted). Administrative leave hours may not be cashed out either during employment or at time or separation or retirement.

D. Sick Leave:

All employees shall receive sick leave benefits for the term of this MOU in accordance with District policy in effect on June 20, 2007.

E. Leave Without Pay-Use Of Accruals:

Requests for leave without pay shall be made upon forms prescribed by the District and shall state specifically the reason for the request, the date when it is desired to begin the leave, and the probable date of return.

1. Leave without pay may be granted for any of the following reasons:
 - a. illness or disability;
 - b. pregnancy;
 - c. parental;
 - d. to take a course of study such as will increase the employee's usefulness on return to the position;
 - e. for other reasons or circumstances acceptable to the Fire Chief.
2. An employee must request family care leave at least thirty (30) days before the leave is to begin if the need for the leave is foreseeable. If the need is not foreseeable, the employee must provide written notice to the employer within five (5) days of learning of the event by which the need for family care leave arises.
3. A leave without pay may be for a period not to exceed one (1) year, provided the Fire Chief may extend such leave for additional periods. The procedure in granting extensions shall be the same as that in granting the original leave, provided that the request for extension must be made not later than thirty(30) calendar days before the expiration of the original leave.
4. Nevertheless, a leave of absence for the employee's serious health condition or for family care shall be granted to an employee who so requests it for up to eighteen (18) weeks in each calendar year period. The employee may be asked to provide certification of the need for family care leave or medical leave. Additional period(s) of family care or medical leave may be granted by the Fire Chief.

Whenever an employee who has been granted a leave without any pay desires to return before the expiration of such leave, the employee shall submit a request to the Fire Chief in writing at least fifteen (15) days in advance of the proposed return. Early return is subject to prior approval by the Fire Chief.
6. Except in the case of leave of absence due to family care, pregnancy, pregnancy disability, illness, or serious health condition, the decision of the

Fire Chief on granting or denying a leave or early return from leave shall not be subject to appeal through the grievance procedure.

III. BENEFITS AND ALLOWANCES

A. Medical/Dental:

Effective in the first full pay period of July 2021, the District's monthly medical contribution will be set at the PERS minimum contribution level (currently \$143/month and as subsequently adjusted by PERS and/or statute). The District's maximum further obligation for medical related expenses shall be the difference between the PERS minimum health contribution and the following:

Employee Only	\$798
Employee +1	\$1,595
Employee + 2 or more	\$2,073

The difference will be placed in a "Premium Expense Account" of the IRS Section 125 Flexible Benefits Plan of Moraga-Orinda Fire District. The "Premium Expense Account" allows participants to use tax-free dollars above the minimum contribution level to pay for health care premiums under the various insurance programs offered by the District above. (See Flexible Benefits Plan Document and Summary Plan Description for full details.) Thus, the District's obligation with respect to District contributions that may be used toward medical premiums is-capped as set forth in this section. The District assumes no responsibility regarding the tax consequence of any benefit provided under this MOU.

Dental Program: The District will contribute the following amounts towards the employee's dental insurance:

Employee Only	\$51.20
Employee +1	\$90.12
Employee +2 or more	\$136.35

The District will contribute the following amounts toward the retiree's dental insurance:

Employee Only	\$46.68
Employee +1	\$81.00
Employee + 2 or more	\$116.98

Retiree Medical Coverage: Employees hired prior to July 2, 2014 will receive retiree medical insurance contributions from the District when retiring with CCCERA in an amount equal to the PERS minimum medical insurance contribution level (currently \$143/month and as subsequently adjusted by PERS and/or statute), plus the amount contributed to the "Premium Expense Account" of the IRS Section 125 Flexible Benefits Plan of Moraga-Orinda Fire District for active employees. This amount is the difference between the amount of the District's monthly medical plan contribution prior to this MOU:

Employee Only	\$458.42
Employee +1	\$916.82
Employee + 2 or more	\$1,191.87

and the PERS minimum health contribution paid to active employees.

Employees hired on or after July 2, 2014 will receive retiree medical insurance coverage when retiring with CCCERA in an amount equal to the PERS minimum health insurance contribution as set forth as above (currently \$119/month).

Retiree medical coverage is subject to PERS rules and regulations and applicable law.

B. PERS Long Term Care:

Battalion Chiefs are eligible to voluntarily elect to purchase long term care through the PERS Long Term Care Program. The District further agrees that District employees interested in purchasing PERS Long Term Care may participate in meetings scheduled by PERS Long Term Care on District facilities during non-work hours (e.g. coffee breaks, lunch hour).

C. Retiree Health Savings Account:

The District shall contribute \$100 per month towards an RHSA for all active bargaining unit members. This shall be effective in the first full pay period following the selection and implementation of that plan.

D. Health Care Spending Account:

The District offers regular full-time District employees the option to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a pre-determined amount of money from their paycheck, not to exceed \$2,500 per year, for health care expenses not reimbursed by any other health benefits plan with before tax dollars. HCSA dollars can be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. Any unused balance cannot be recovered by the employee.

E. Workers' Compensation:

A permanent employee shall receive 100% of regular monthly salary for all accepted claims filed as defined under the Workers' Compensation Laws of California, Labor Code Section 4850 .

F. Mileage Reimbursement:

For all employees, mileage allowance for the use of personal vehicles on District business shall be paid according to the rates allowed by the Internal Revenue Service (IRS) and shall be adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the IRS, whichever is later.

G. Management Life Insurance:

Management employees shall continue to be provided with \$50,000 term life insurance policies. Premiums for this insurance shall be paid by the District with conditions of eligibility to be reviewed annually. All employees covered herein may also subscribe voluntarily for supplemental life insurance coverage.

H. Training:

Battalion Chiefs shall be eligible for career development training reimbursement. Reimbursement for job-related training must be directly related to the position of Battalion Chief and must be approved in advance by the Fire Chief on a case-by- case basis.

I. Management Development Policy:

All management employees shall be authorized to attend professional training programs, seminars, and workshops during normal work hours with Fire Chief approval for the purpose of developing knowledge, skills, and abilities, in the areas of supervision, management and District policies and procedures.

J. Uniform Allowance:

Employees in the rank of Battalion Chief will receive a \$80 per month uniform allowance. Effective immediately upon approval of this MOU the District will discontinue reimbursement to employees for the purchase of exercise shoes.

K. Sick Leave Incentive Plan:

Management employees shall be eligible for a payoff of unused sick leave accruals at separation. This program is initiated as an incentive for employees to safeguard sick leave accruals as protection against wage loss due to time lost for injury or illness. Payoff shall be approved by the Fire Chief and can be awarded only under the following conditions:

1. The employee must have resigned in good standing.
2. Payout is not available if the employee retires.
3. The balance at resignation must be at least 70% of accruals earned in the preceding continuous period of employment, but excluding any sick leave use covered by the Family and Medical Leave Act, the California Family Rights Act, or the California Pregnancy Disability Act.
4. Payout shall be under the following schedule:

<u>Years of Permanent Continuous Service</u>	<u>Percent of Unused Sick leave Paid</u>
3 - 5 years	30%
5 - 7 years	40%
7 plus years	50%

IV. CURRENT TERMS AND CONDITIONS OF EMPLOYMENT

A. Educational Qualifications:

Effective July 2, 2014, a college degree (associates in Fire Technology OR higher degree in Fire Technology, Business Administration, Management and Supervision, or a closely related field) is a requirement to apply for and hold the position of Battalion Chief. Battalion Chiefs promoted prior to July 2, 2014 who do not hold a college degree (associates in Fire Technology OR higher degree in Fire Technology, Business Administration, Management and Supervision, or a closely related field) will not be eligible for salary step increases beyond Step-1 until they hold a degree as described in this section.

B. Administrative Provision:

The Fire Chief shall establish guidelines, bulletins or directives as necessary to further define or implement provisions contained in this MOU.

C. Salary:

Effective on the dates indicated, all classifications covered by this MOU shall have their basic salary schedule adjusted as follows:

July 1,2021	4.0% increase
July 1,2022	4.0% increase
July 1, 2023	5.0% increase

A fire retirement allotment (FRA) implemented through a 414 (h) 2 in the amount of 3.91% of base salary has been established. The employee shall pay 100% of the employee contribution toward retirement.

The regular rate of pay equals base monthly salary and fire retirement allotment.

D. Work Schedule:

A, B, and C shifts work a modified 48-96 schedule. The Fire Chief has the option to assign three Battalion Chiefs to a traditional 48-96 shift schedule, forty hour workweek (Training Battalions Chief only) or a modified 48-96 shift schedule.

E. Battalion Chief Seniority Ranking:

Battalion Chief seniority ranking shall be based on date of official promotion for the purposes of vacation selection and items left discretionary by the Fire Chief. The Fire Chief, however, shall have the ultimate decision on shift assignment, programs and duties as assigned.

F. Overtime Compensation:

Battalion Chiefs will be compensated for hours worked outside of their regular work schedule at one and one-half times the top-step Captain-Paramedic I rate plus top-step Captain-Paramedic I hourly upgrade acting pay rate.

G. Strike Team / Mutual Aid Compensation:

Employees in the rank of Battalion Chief and who are responding to the request of Mutual Aid or Automatic Aid under the State Mutual Aid Program shall receive 'pass-through' compensation of the amount reimbursed to the District, according to the annual salary survey submitted to OES (aka The *Fire Assistance Agreement*). The 'pass-through' of funds would occur on incidents deemed "reimbursable" to the District via the five party agreement or other reimbursable requests from the State Mutual Aid System or OES. The payment would be received by the employee on his/her next scheduled paycheck, irrespective to any processing lag time. The rate will not be more than one and one half times the hourly pay rate listed for the position of 'Battalion Chief. On requests deemed to be non-reimbursable, the employee's time shall be applied to satisfy District 'backfill' obligations.

Pass through compensation will be in effect only on days that the employee would ordinarily be scheduled off-duty. There will be no pass-through compensation during the hours the employee would ordinarily be considered to be on-shift.

Pass through compensation for each event must be approved by the Fire Chief. Should reimbursement be denied due to an omission by the responding Battalion Chief, the individual will not receive and/or will return any pass through compensation already provided by the District.

Employees are responsible for ensuring that their absence will not cause a hardship to the District. A maximum of two (2) Battalion Chiefs will be allowed to be assigned to Mutual Aid/Automatic Aid events, and this number should be decreased for known Battalion Chief absences during that time frame (vacation, workers' compensation, classes and seminars which are out of the area, etc.) Battalion Chiefs are responsible for ensuring that scheduled 'duty' days will be appropriately staffed

H. Management Rights:

All District rights and functions, except those that are expressly abridged by this

Memorandum of Understanding, shall remain vested with the District.

Except to the extent that the rights, powers and authority of the District are specifically limited by the provisions of the Memorandum of Understanding, the District retains all rights, power and authority granted to it or which it has pursuant to the law, and the District shall not be required to meet and confer with respect to the exercise of such rights, powers and authority reserved herein.

I Management Expectations:

The position of Battalion Chief is a management position within the District. This position has program administration duties, which creates the expectation of additional work during non-shift time periods.

NOTE: All terms and conditions contained herein are effective from date of adoption unless otherwise stated.

If the foregoing is in accordance with your understanding. please so acknowledge by signing where indicated below:

APPROVED AND ACCEPTED:

DATE : _____

FOR THE DISTRICT

FOR THE MOFCOA

Donna Williamson
Chief Negotiator

Jerry Lee
Chief Negotiator

**MORAGA ORINDA FIRE DISTRICT
SALARY SCHEDULE - MONTHLY
MORAGA-ORINDA FIRE CHIEF OFFICERS ASSOCIATION
EFFECTIVE JULY 1, 2021**



CLASSIFICATION	STEP	BASE SALARY	FIRE RETIREMENT ALLOTMENT	TOTAL BASE SALARY	HOURLY RATE	OVERTIME RATE	STRIKE TEAM OVERTIME RATE	HOLIDAY PAY PER HOLIDAY	EDUCATIONAL INCENTIVE BACHELOR'S DEGREE	EDUCATIONAL INCENTIVE MASTER'S DEGREE	UNIFORM PAY
BATTALION	3	\$16,167	\$633	\$16,800	\$69.23	\$87.08	\$103.85	\$1,246.20	\$420.00	\$420.00	\$80
CHIEF	2	15,399	603	16,002	65.94	87.08	98.91	1,186.92	400.05	400.05	80
	1	14,663	574	15,237	62.79	87.08	94.19	1,130.28	380.93	380.93	80

Moraga-Orinda Fire Protection District
 Long Range Financial Forecast
 Draft Update

November 2021 With New Labor Contracts - Pay Cash for Station 41/Administration Rebuild Using Fire Flow Tax and Previous Pension Obligation Bond Money

	ACTUAL 17/18	ACTUAL 18/19	ACTUAL 19/20	ACTUAL 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	PROJ 29/30	PROJ 30/31	ASSM	ASSM	ASSM	ASSM	ASSM	ASSM
1 TOTAL REVENUE	27,099,467	29,520,164	29,957,006	33,428,581	30,909,525	31,469,894	32,504,493	33,573,295	34,678,954	35,822,753	37,002,347	38,222,772	39,485,451	40,791,857						
2 TOTAL EXPENDITURES	27,000,486	31,083,423	28,599,708	30,242,041	33,806,497	31,735,596	41,092,101	34,124,139	33,670,888	33,387,782	31,043,444	32,988,351	31,475,697	31,610,351						
3 GENERAL FUND BALANCE UNASSIGNED, BEGINNING	4,905,518	6,297,533	7,828,854	9,618,061	11,964,650	11,860,547	9,627,375	8,838,222	8,485,917	9,436,988	10,629,828	16,041,504	21,965,847	29,004,102	21/22	22/23	23/24	24/25	25/26	26/27 - 30/31
CASH AND LAIF BALANCE DECEMBER 15	226,000	87,000	(1,767,000)	(400,000)	2,526,821	1,688,570	3,110,803	(5,476,805)	(6,027,648)	(5,019,582)	(2,584,611)	3,374,292	8,608,713	16,618,467						
CASH AND LAIF BALANCE DECEMBER 31	7,917,000	10,591,000	8,930,000	10,179,000	13,105,821	12,267,570	13,689,803	5,102,195	4,551,352	5,559,418	7,994,389	13,953,292	19,187,713	27,197,467						
4 GENERAL FUND REVENUES																				
5 PROPERTY AD VALOREM TAX	19,843,842	21,142,784	22,364,559	23,430,278	26,492,158	28,787,998	29,795,577	30,838,423	31,917,767	33,034,889	34,191,110	35,387,799	36,626,372	37,908,295	HDL	2.00%	3.50%	3.50%	3.50%	3.50%
7 USE OF MONEY & PROPERTY	90,725	190,489	172,977	28,560	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	22.55%	0.00%	0.00%	0.00%	0.00%	0.00%
8 INTERGOVERNMENTAL REVENUE	252,467	244,243	235,278	468,048	233,148	235,479	237,834	240,213	242,615	245,041	247,491	249,966	252,466	254,991	-50.19%	1.00%	1.00%	1.00%	1.00%	1.00%
9 CHARGES FOR SERVICES/OTHER	438,422	1,484,464	274,611	343,071	237,850	240,229	242,631	245,057	247,508	249,983	252,483	255,007	257,557	260,133	-30.67%	1.00%	1.00%	1.00%	1.00%	1.00%
10 AMBULANCE FEES	1,082,685	1,751,628	1,353,072	1,280,442	985,000	999,775	1,014,772	1,029,993	1,045,443	1,061,125	1,077,042	1,093,197	1,109,595	1,126,239	-23.07%	1.50%	1.50%	1.50%	1.50%	1.50%
11 STRIKE TEAM REVENUE (Net of Overtime Costs)	442,519	379,931	161,175	1,841,476	70,000	72,800	76,440	78,733	81,095	83,528	86,034	88,615	91,273	94,012	-96.20%	4.00%	5.00%	3.00%	3.00%	3.00%
12 OTHER REVENUE (FEDERAL GRANTS)/NOSFB ADMIN FEE	182,228	458,045	458,045	488,040	0	0	0	0	0	0	0	0	0	0	-100.00%	NA	NA	NA	NA	NA
13 TOTAL GENERAL FUND REVENUES	22,332,888	25,743,581	25,019,717	27,879,915	28,053,156	30,371,281	31,402,254	32,467,419	33,569,428	34,709,566	35,889,160	37,109,585	38,372,264	39,678,670						
14 GENERAL FUND EXPENDITURES*****																				
15 SALARIES - SAFETY	8,551,976	8,886,941	9,491,012	8,641,289	9,622,818	10,007,731	10,508,117	10,823,361	11,148,062	11,482,503	11,826,979	12,181,788	12,547,242	12,923,659	11.36%	4.00%	5.00%	3.00%	3.00%	3.00%
16 SALARIES - NONSAFETY				1,085,000	1,137,092	1,182,576	1,241,704	1,278,956	1,317,324	1,356,844	1,397,549	1,439,476	1,482,660	1,527,140	4.80%	4.00%	5.00%	3.00%	3.00%	3.00%
17 SALARIES - OTHER NONBENEFITTED				238,369	272,637	283,542	297,720	306,651	315,851	325,326	335,086	345,139	355,493	366,158	14.38%	4.00%	5.00%	3.00%	3.00%	3.00%
18 OVERTIME (Excluding Strike Team)	2,040,455	2,359,979	1,367,427	1,922,002	1,926,144	2,003,190	2,103,349	2,166,450	2,231,443	2,298,387	2,367,338	2,438,358	2,511,509	2,586,854	0.22%	4.00%	5.00%	3.00%	3.00%	3.00%
19 BENEFITS	1,850,258	1,892,878	2,231,693	2,604,655	2,779,272	2,862,650	2,948,530	3,036,986	3,128,095	3,221,938	3,318,596	3,418,154	3,520,699	3,626,320	6.70%	3.00%	3.00%	3.00%	3.00%	3.00%
20 RETIREE HEALTH INSURANCE	821,299	871,105	854,258	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	2.55%	0.00%	0.00%	0.00%	0.00%	0.00%
21 OPERATING EXPENSES	2,251,574	2,427,900	2,648,750	2,693,328	2,823,210	2,907,906	2,995,143	3,084,998	3,177,548	3,272,874	3,371,060	3,472,192	3,576,358	3,683,649	4.82%	3.00%	3.00%	3.00%	3.00%	3.00%
22 CCCERA EMPLOYER PAYMENT SAFETY - NORMAL COST*****	1,870,925	1,849,332	2,013,742	2,072,000	2,302,051	2,148,551	2,167,332	2,354,093	2,350,158	2,379,647	2,387,218	2,298,620	1,618,018	1,156,915						GovInvest
23 CCCERA EMPLOYER PAYMENT SAFETY - UAAL PAYMENT*****	2,806,387	3,267,111	3,020,612	3,528,000	3,396,175	3,505,530	3,536,173	3,840,889	3,834,468	3,781,145	0	0	0	0						GovInvest
24 CCCERA EMPLOYER PAYMENT NONSAFETY - NORMAL COST					116,928	112,545	152,268	150,825	147,275	147,257	155,244	163,578	172,273	181,342						
25 CCCERA EMPLOYER PAYMENT NONSAFETY - UAAL PAYMENT					107,934	103,887	140,555	139,223	135,946	135,929	0	0	0	0						
26 OPEB FUNDING (INTO TRUST)	374,000	407,733	559,108	331,633	434,528	445,347	499,888	529,270	587,192	632,715	684,724	754,959	791,783	842,595	Actuary	Actuary	Actuary	Actuary	Actuary	Actuary
27 PENSION RATE STABILIZATION (INTO TRUST)	374,000	1,100,000	1,023,850	1,562,792	2,362,470	2,280,997	2,324,626	2,332,023	2,368,996	2,506,161	2,657,689	2,696,978	2,781,975	2,795,102	GovInvest	GovInvest	GovInvest	GovInvest	GovInvest	GovInvest
28 TOTAL GENERAL FUND EXPENDITURES	20,940,874	23,062,979	23,230,510	25,533,326	28,157,259	28,720,453	29,791,407	30,919,724	31,618,357	32,416,726	29,377,484	30,085,242	30,234,009	30,565,733						
31 TRANSFER OUT TO CAPITAL FUND					(3,884,000)	(2,400,000)	(1,900,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)						
32 ANNUAL GENERAL FUND SURPLUS (DEFICIT)	1,392,014	1,531,321	1,789,207	2,346,589	(104,103)	(2,233,172)	(789,153)	(352,305)	951,071	1,192,840	5,411,676	5,924,343	7,038,255	8,012,937						
33 GENERAL FUND BALANCE UNASSIGNED, END	6,297,533	7,828,854	9,618,061	11,964,650	11,860,547	9,627,375	8,838,222	8,485,917	9,436,988	10,629,828	16,041,504	21,965,847	29,004,102	37,017,039						
34 UNRESTRICTED FUND BAL AS PERCENT OF GENERAL FUND REVENUE	28.20%	30.41%	38.44%	42.91%	42.28%	31.70%	28.15%	26.14%	28.11%	30.63%	44.70%	59.19%	75.59%	93.29%						
35																				
36 CAPITAL FUND BALANCE, BEGINNING OF YEAR	9,856,415	8,348,371	5,017,632	4,342,930	4,923,162	4,189,014	7,844,420	45,964	152,574	95,579	1,146,552	1,693,779	1,003,857	1,975,356	21/22	22/23	23/24	24/25	25/26	26/27 - 30/31
37 CAPITAL FUND REVENUES - FIRE FLOW TAX	1,389,215	233,047	1,227,886	1,663,855	1,125,000	1,098,614	1,102,239	1,105,876	1,109,526	1,113,187	1,113,187	1,113,187	1,113,187	1,113,187	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
38 CAPITAL EXPENDITURES	1,885,289	3,701,334	891,041	160,809	936,700	1,005,638	10,979,860	2,883,432	1,731,530	650,166	1,344,319	2,581,846	919,951	723,547	NA	NA	NA	NA	NA	NA
39 TRANSFER IN FROM GENERAL FUND - PRIOR POB MONEY					3,884,000	2,400,000	1,900,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000						
40 TRANSFER OUT TO DEBT SERVICE FUND - FIRE FLOW TAX	(1,011,970)		(1,011,547)	(922,814)	(922,448)	(321,570)	(320,835)	(320,982)	(321,001)	(320,890)	(321,641)	(321,641)	(321,737)	(321,071)						
41 ANNUAL CAPITAL FUND SURPLUS (DEFICIT)	(1,508,044)	(3,330,739)	(674,702)	580,232	(734,148)	3,655,406	(7,798,456)	(198,538)	56,995	1,242,131	547,227	(689,922)	971,499	1,168,569	NA	NA	NA	NA	NA	NA
42 CAPITAL FUND BALANCE, END OF YEAR	8,348,371	5,017,632	4,342,930	4,923,162	4,189,014	7,844,420	45,964	152,574	95,579	1,146,552	1,693,779	1,003,857	1,975,356	3,143,924	NA	NA	NA	NA	NA	NA
43																				
44																				
45 DEBT SERVICE FUND BALANCE, BEGINNING	2,793,645	3,008,656	3,244,815	3,487,608	3,747,327	1,688,606	671	671	671	671	671	671	671	671						
46 PROPERTY AD VALOREM TAX	3,377,364	3,543,536	3,709,403	3,884,811	1,731,369	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA	NA
47 DEBT SERVICE FUND EXPENDITURES - PENSION OBLIGATION BONDS	3,157,877	3,307,377	3,466,609	3,624,527	3,790,090	1,687,935	0	0	0	0	0	0	0	0						
48 DEBT SERVICE FUND EXPENDITURES - OTHER DEBT	1,016,446	1,011,733	1,011,548	923,379	922,448	321,570	320,835	320,982	321,001	320,890	321,641	321,641	321,264	321,071						
49 TRANSFER IN FROM CAPITAL FUND - FIRE FLOW TAX	1,011,970	1,011,733	1,011,547	922,814	922,448	321,570	320,835	320,982	321,001	320,890	321,641	321,641	321,264	321,071						
50 DEBT SERVICE FUND BALANCE, END OF YEAR	3,008,656	3,244,815	3,487,608	3,747,327	1,688,606	671	671	671	671	671	671	671	671	671	NA	NA	NA	NA	NA	NA
51																				

**Moraga-Orinda Fire Protection District
Long Range Financial Forecast
Draft Update**

April 2021 Scenario C - Pay Cash for Station 41/Administration Rebuild Using Fire Flow Tax and Previous Pension Obligation Bond Money

	ACTUAL 17/18	ACTUAL 18/19	ACTUAL 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	PROJ 29/30	PROJ 30/31	ASSM	ASSM	ASSM	ASSM	ASSM	ASSM
1 TOTAL REVENUE	27,099,467	29,520,164	29,957,006	31,365,149	31,112,025	31,708,594	32,748,815	33,824,863	34,937,986	36,089,472	37,276,973	38,505,542	39,776,610	41,091,655						
2 TOTAL EXPENDITURES	27,000,486	31,083,423	28,599,708	31,081,222	33,682,875	31,156,833	40,148,478	33,152,535	32,670,579	32,357,707	30,019,966	31,934,064	30,389,673	30,491,636						
3 GENERAL FUND BALANCE UNASSIGNED, BEGINNING	4,905,518	6,297,533	7,828,854	9,618,061	9,431,402	8,076,189	6,657,470	7,953,243	8,821,079	11,028,451	13,515,035	20,221,766	27,480,117	35,892,505	21/22	22/23	23/24	24/25	25/26	26/27 - 30/31
CASH AND LAIF BALANCE DECEMBER 15	226,000	87,000	(1,767,000)	(400,000)	(376,357)	(867,986)	1,351,710	(6,047,953)	(5,375,625)	(3,108,218)	623,547	7,880,554	14,452,032	23,838,969						
CASH AND LAIF BALANCE DECEMBER 31	7,917,000	10,591,000	8,930,000	10,179,000	10,202,643	9,691,014	11,930,710	4,531,047	5,203,375	7,470,782	11,202,547	18,459,554	25,031,032	34,417,969						
4 GENERAL FUND REVENUES																				
5 PROPERTY AD VALOREM TAX	19,843,842	21,142,784	22,364,559	23,189,794	26,492,158	28,787,488	29,795,050	30,837,876	31,917,202	33,034,304	34,190,505	35,387,172	36,625,723	37,907,624	HDL	2.00%	3.50%	3.50%	3.50%	3.50%
7 USE OF MONEY & PROPERTY	90,725	190,489	172,977	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8 INTERGOVERNMENTAL REVENUE	252,467	244,243	235,278	246,397	233,148	235,479	237,834	240,213	242,615	245,041	247,491	249,966	252,466	254,991	-5.38%	1.00%	1.00%	1.00%	1.00%	1.00%
9 CHARGES FOR SERVICES/OTHER	438,422	1,484,464	274,611	291,449	237,850	240,229	242,631	245,057	247,508	249,983	252,483	255,007	257,557	260,133	-18.39%	1.00%	1.00%	1.00%	1.00%	1.00%
10 AMBULANCE FEES	1,082,685	1,751,628	1,353,072	967,027	985,000	999,775	1,014,772	1,029,993	1,045,443	1,061,125	1,077,042	1,093,197	1,109,595	1,126,239	1.86%	1.50%	1.50%	1.50%	1.50%	1.50%
11 STRIKE TEAM REVENUE (Net of Overtime Costs)	442,519	379,931	161,175	600,000	300,000	309,000	318,270	327,818	337,653	347,782	358,216	368,962	380,031	391,432	-50.00%	3.00%	3.00%	3.00%	3.00%	3.00%
12 OTHER REVENUE (FEDERAL GRANTS)/NOSFB ADMIN FEE	182,228	458,042	458,042	629,371	0	0	0	0	0	0	0	0	0	0	-100.00%	NA	NA	NA	NA	NA
13 TOTAL GENERAL FUND REVENUES	22,332,888	25,743,581	25,019,717	25,959,038	28,283,156	30,806,971	31,643,556	32,715,957	33,825,420	34,973,235	36,160,736	37,389,305	38,660,373	39,975,418						
14 GENERAL FUND EXPENDITURES*****																				
15 SALARIES - SAFETY	8,551,976	8,886,941	9,491,012	9,000,000	9,264,407	9,542,339	9,828,609	10,123,468	10,427,172	10,739,987	11,062,186	11,394,052	11,735,874	12,087,950	2.94%	3.00%	3.00%	3.00%	3.00%	3.00%
16 SALARIES - NONSAFETY				1,085,000	1,117,092	1,150,605	1,185,123	1,220,677	1,257,297	1,295,016	1,333,866	1,373,882	1,415,099	1,457,552	2.96%	3.00%	3.00%	3.00%	3.00%	3.00%
17 SALARIES - OTHER NONBENEFITTED				253,637	272,637	280,816	289,241	297,918	306,855	316,601	325,543	335,309	345,368	355,729	7.49%	3.00%	3.00%	3.00%	3.00%	3.00%
18 OVERTIME (Excluding Strike Team)	2,040,455	2,359,979	1,367,427	1,813,800	1,850,000	1,905,500	1,962,665	2,021,545	2,082,191	2,144,657	2,208,997	2,275,267	2,343,525	2,413,830	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%
19 BENEFITS	1,850,258	1,892,878	2,231,693	2,843,052	2,613,970	2,692,389	2,773,161	2,856,356	2,942,046	3,030,308	3,121,217	3,214,853	3,311,299	3,410,638	-8.06%	3.00%	3.00%	3.00%	3.00%	3.00%
20 RETIREE HEALTH INSURANCE	821,299	871,105	871,000	871,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	876,000	0.57%	0.00%	0.00%	0.00%	0.00%	0.00%
21 OPERATING EXPENSES	2,251,574	2,427,900	2,648,750	2,884,783	3,000,000	3,090,000	3,182,700	3,278,181	3,376,526	3,477,822	3,582,157	3,689,622	3,800,310	3,914,320	3.99%	3.00%	3.00%	3.00%	3.00%	3.00%
22 CCCERA EMPLOYER PAYMENT SAFETY - NORMAL COST*****	1,870,925	1,849,332	2,013,742	2,035,000	2,081,526	2,152,312	2,144,799	2,339,168	2,341,984	2,389,799	2,396,131	2,318,161	1,686,615	1,260,526						GovInvest
23 CCCERA EMPLOYER PAYMENT SAFETY - UAAL PAYMENT*****	2,806,387	3,267,111	3,020,612	3,465,000	3,396,175	3,511,667	3,499,408	3,816,538	3,821,131	3,781,145	0	0	0	0						GovInvest
24 CCCERA EMPLOYER PAYMENT NONSAFETY - NORMAL COST					112,545	116,280	115,578	113,205	108,756	107,709	114,408	121,413	128,734	136,386						
25 CCCERA EMPLOYER PAYMENT NONSAFETY - UAAL PAYMENT					103,887	107,335	106,687	104,497	100,390	99,424	0	0	0	0						
26 OPEB FUNDING (INTO TRUST)	374,000	407,733	559,108	331,633	434,528	445,347	499,888	529,270	587,192	632,715	684,724	754,959	791,783	842,595	Actuary	Actuary	Actuary	Actuary	Actuary	Actuary
27 PENSION RATE STABILIZATION (INTO TRUST)	374,000	1,100,000	1,023,850	1,562,792	2,362,470	2,271,099	2,383,925	2,371,299	2,390,507	2,516,009	2,648,777	2,677,437	2,713,378	2,691,491	GovInvest	GovInvest	GovInvest	GovInvest	GovInvest	GovInvest
28 TOTAL GENERAL FUND EXPENDITURES	20,940,874	23,062,979	23,230,510	26,145,697	27,485,237	28,141,690	28,847,783	29,948,121	30,618,048	31,386,651	28,354,006	29,030,954	29,147,985	29,447,017						
31 TRANSFER OUT TO CAPITAL FUND					(2,153,131)	(3,884,000)	(1,500,000)	(1,900,000)	(1,000,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)						
32 ANNUAL GENERAL FUND SURPLUS (DEFICIT)	1,392,014	1,531,321	1,789,207	196,659	(1,355,212)	(1,418,719)	1,295,773	867,836	2,207,372	2,486,584	6,706,730	7,258,351	8,412,388	9,428,401						
33 GENERAL FUND BALANCE UNASSIGNED, END	6,297,533	7,828,854	9,618,061	9,431,402	8,076,189	6,657,470	7,953,243	8,821,079	11,028,451	13,515,035	20,221,766	27,480,117	35,892,505	45,320,906						
34 UNRESTRICTED FUND BAL AS PERCENT OF GENERAL FUND REVENUE	28.20%	30.41%	38.44%	36.33%	28.55%	21.75%	25.13%	26.96%	32.60%	38.64%	55.92%	73.80%	92.84%	113.37%						
35																				
36 CAPITAL FUND BALANCE, BEGINNING OF YEAR	9,856,415	8,348,371	5,017,632	4,342,930	4,553,232	5,396,815	9,055,230	359,795	164,286	224,321	1,469,502	2,019,779	1,332,906	2,307,455	21/22	22/23	23/24	24/25	25/26	26/27 - 30/31
37 CAPITAL FUND REVENUES - FIRE FLOW TAX	1,389,215	233,047	1,227,886	1,521,300	1,098,000	1,101,623	1,105,259	1,108,906	1,112,566	1,116,237	1,116,237	1,116,237	1,116,237	1,116,237	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
38 CAPITAL EXPENDITURES	1,885,289	3,701,334	891,041	388,050	1,485,100	1,005,638	10,979,860	2,883,432	1,731,530	650,166	1,344,319	2,581,846	919,951	723,547	NA	NA	NA	NA	NA	NA
39 TRANSFER IN FROM GENERAL FUND - PRIOR POB MONEY					2,153,131	3,884,000	1,500,000	1,900,000	1,000,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000						
40 TRANSFER OUT TO DEBT SERVICE FUND - FIRE FLOW TAX	(1,011,970)		(1,011,547)	(922,948)	(922,448)	(321,570)	(320,835)	(320,982)	(321,001)	(320,890)	(321,641)	(321,264)	(321,737)	(321,071)						
42 ANNUAL CAPITAL FUND SURPLUS (DEFICIT)	(1,508,044)	(3,330,739)	(674,702)	210,302	843,583	3,658,415	(8,695,436)	(195,508)	60,035	1,245,181	550,277	(686,873)	974,549	1,171,619	NA	NA	NA	NA	NA	NA
43 CAPITAL FUND BALANCE, END OF YEAR	8,348,371	5,017,632	4,342,930	4,553,232	5,396,815	9,055,230	359,795	164,286	224,321	1,469,502	2,019,779	1,332,906	2,307,455	3,479,074	NA	NA	NA	NA	NA	NA
44																				
45 DEBT SERVICE FUND BALANCE, BEGINNING	2,793,645	3,008,656	3,244,815	3,487,608	3,747,892	1,688,671	736	736	736	736	736	736	736	736						
46 PROPERTY AD VALOREM TAX	3,377,364	3,543,536	3,709,403	3,884,811	1,730,869	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA	NA
47 DEBT SERVICE FUND EXPENDITURES - PENSION OBLIGATION BONDS	3,157,877	3,307,377	3,466,609	3,624,527	3,790,090	1,687,935	0	0	0	0	0	0	0	0						
48 DEBT SERVICE FUND EXPENDITURES - OTHER DEBT	1,016,446	1,011,733	1,011,548	922,948	922,448	321,570	320,835	320,982	321,001	320,890	321,641	321,264	321,737	321,071						
49 TRANSFER IN FROM CAPITAL FUND - FIRE FLOW TAX	1,011,970	1,011,733	1,011,547	922,948	922,448	321,570	320,835	320,982	321,001	320,890	321,641	321,264	321,737	321,071						
50 DEBT SERVICE FUND BALANCE, END OF YEAR	3,008,656	3,244,815	3,487,608	3,747,892	1,688,671	736	736	736	736	736	736	736	736	736	NA	NA	NA	NA	NA	NA
51																				
52 COMBINED UNRESTRICTED FUND BALANCE, BEGINNING OF YEAR																				



Moraga-Orinda Fire District

TO: Board of Directors
FROM: David Winnacker, Fire Chief
DATE: November 17, 2021
SUBJECT: **Item 8.5 – Approval of Unrepresented Employee Handbook Authorizing Salary and Benefits for Unrepresented Employees Effective November 18, 2021**

BACKGROUND

The District has 11 unrepresented employee positions. Salary and benefits for Unrepresented Employees are authorized in the Unrepresented Employee Handbook (Attachments A and B.) The District recently completed the negotiations process with its two labor unions. As a result of the negotiations, the District authorized changes to the following benefits:

- Establishment of a Retiree Health Savings Account with a \$100 per month District contribution.
- Increase District contribution to deferred compensation for management positions from \$50 per month to \$150 per month.

The Unrepresented Employee Handbook has been updated to include these benefit changes. Additional minor administrative changes have also been made to the Unrepresented Employee Handbook. All changes are in red in Attachment A for transparency.

FISCAL IMPACT

Annual cost of the two benefits are as follows:

- Retiree Health Savings Account - \$13,475 (11 budgeted positions)
- Deferred compensation - \$6,000 (5 budgeted management positions)

RECOMMENDATION

Staff recommends the Board approve the Unrepresented Employee Handbook authorizing salary and benefits for Unrepresented Employees effective November 18, 2021

ATTACHMENTS

Attachment A – Unrepresented Employee Handbook – Legislative Version

Attachment B – Unrepresented Employee Handbook – Final version for adoption

MORAGA-ORINDA FIRE PROTECTION DISTRICT

SALARY AND BENEFITS FOR UNREPRESENTED EMPLOYEES

EFFECTIVE ~~APRIL 30, 2020~~ NOVEMBER 18, 2021



UNREPRESENTED EMPLOYEE HANDBOOK

Moraga-Orinda Fire Protection District Unrepresented Employee Salary and Benefits

The Moraga-Orinda Fire Protection District (“District”) offers the salary and benefits detailed in this Employee Handbook for the following unrepresented job classifications: Administrative Services Director, Fire Marshal, Human Resources ~~Benefits~~-Manager, Finance Manager, Fuels Mitigation Manager, District Secretary/District Clerk, Payroll Technician, Office Specialist, ~~and~~ Fuels Mitigation Specialist ~~and Fire Inspector/Plans Examiner~~. The information in this Employee Handbook is intended to detail the benefits offered by the District. Where applicable, specific details and plan limitations are provided in Summary Plan Descriptions (SPD) provided by insurance companies, and from individual employee contracts in some cases. In the event that information in this Employee Handbook differs from Plan Documents, the Plan Documents will prevail. If you have questions or need additional information, please contact Human Resources at 925-258-4521.

The following job classifications are FLSA exempt, management positions: Administrative Services Director, Fire Marshal, Human Resources ~~Benefits~~-Manager and Finance Manager. All other unrepresented job classifications are non-exempt.

Administrative Leave

All exempt, unrepresented full-time management employees will be credited 6.67 hours per month of Administrative Leave on the first day of each month. The maximum number of hours that may be accrued is 80 hours. On separation, employees shall be paid for any unused administrative leave hours at the employee’s then-current rate of pay, not to exceed eighty hours.

Employees appointed (hired or promoted) to a management position are eligible for Administrative Leave on the first day of the month following their appointment.

Annual Medical Exams

All employees are encouraged to participate in the annual individual medical exams offered by the District. These exams are offered through the District’s approved medical provider.

At-Will Positions

All unrepresented employees are At-Will employees. The District may remove employees in these positions with or without cause in the sole exercise of discretion by the District. Employees in these positions shall be notified in writing of the District’s intent to terminate and remove employee from the position. Employee shall be given 45-days’ notice or pay-in-lieu thereof prior to the termination becoming effective. Such notice is to be given to employee forty-five (45) days in advance unless the parties otherwise agree in writing prior to the termination becoming effective. In the event the employee voluntarily resigns from the position, the employee shall make best efforts to provide the District a minimum of thirty (30) days’ written notice, unless the parties otherwise agree in writing.

Bereavement Leave

Full-time employees shall have an annual but unaccruable bereavement leave of up to three (3) days per year for the death of a spouse, son, daughter, or parent, as those terms are defined under the FMLA.

Days and Hours of Work

The normal workweek of District employees is forty (40) hours. The core hours for the Administrative office is Monday to Friday from 8:00 a.m. to 5:00 p.m. each day. All full-time employees shall be assigned to a work schedule of Monday to Friday from 8:00 a.m. to 5:00 p.m., with a one (1) hour lunch from either: (a) 11 a.m. to 12 p.m., or (b) 12 p.m. to 1 p.m. ~~The part-time Fire Inspector/Plans Examiner shall be assigned to a work schedule of Monday, Wednesday and Friday from 8:00 a.m. to 5:00 p.m., with a one (1) hour lunch from 12 p.m. to 1 p.m.~~ District business requirements may require deviations from this schedule with as much advanced notice as possible.

Deferred Compensation Plans (457)

The District offers two (2) 457 Deferred Compensation Plans to employees. District employees may contribute the annual IRS Limit which is currently \$19,500. Employees age 50 and older may be eligible to contribute additional amounts subject to IRS limits.

The District's contribution to all management employees who participate in the deferred compensation plan is \$150 per month. To be eligible for this contribution/incentive, qualifying management employees must maintain a minimum monthly contribution of \$100 to the Deferred Compensation Plan. The base contribution is computed from the date the employee signs an election form to participate in the program. Employees who discontinue contributions or who contribute less than the required amount per month for one (1) month or more will no longer be eligible to receive the \$150 District contribution/incentive. To reestablish eligibility, employees must again establish the minimum monthly contribution of \$100 to the Deferred Compensation Plan.

Dental

The District offers a Dental Plan to employees for themselves and their eligible dependents. Employees are eligible to enroll in the plan on the first of the month following date of hire. The District contribution for unrepresented employees is the same amount per month as what is provided to employees in Local 1230.

Education Incentive

Exempt management employees, except the Administrative Services Director, who hold a Bachelor's degree from an accredited college or university in a related field will receive an education incentive equal to 2.5% of base salary. All exempt management employees, who receive or hold a Master's degree from an accredited college or university in a related field will receive an education incentive equal to 2.5% of base salary. Employees are encouraged to continue pursuing educational opportunities which are mutually beneficial to the District and the employee and are directly related to the duties of their position.

Educational Assistance/Training

Employees are eligible for career development training reimbursement. Reimbursement for job related training must be directly related to the position held at the District. The District policy on Training shall govern reimbursement for training and shall limit reimbursement for career development training.

Employee Assistance Program (EAP)

The District offers employees from the first day of employment an employee assistance program (EAP). The EAP assists employees with emotional, family and other personal problems; offers guidance on financial and legal issues; supports healthy choices; and more.

Entrance Salary and Step Increases

New employees shall generally be appointed at the minimum step of the salary range established for the particular class of position to which the appointment is made. However, the appointing authority may fill a particular position at a step above the minimum of the range.

New employees are eligible for a step increase following 6-months of successful employment and every 12-months thereafter until the top step is reached. Management positions may require completion of job related certifications in order to progress in the salary range.

Flexible Spending Accounts

The District offers both a Medical Reimbursement Account and a Dependent Day Care Account for employees subject to rules and restrictions of the IRS. The plan runs from January 1 through December 31 of each year and annual enrollment is required. Employees are eligible to enroll in the plan on the first of the month following date of hire. The District's Medical Reimbursement Account allows for a \$500 carryover each year per IRS regulations and the plan document. Additional information can be found on the District's internal intranet.

Holidays and Personal Holidays

Employees have the following days off work as paid holidays:

New Year's Day
Martin Luther King's Day
Presidents Day/Washington's Birthday
Memorial Day
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Friday after Thanksgiving
Christmas Eve

Christmas Day

Part-time employees shall receive holiday time off in the same ratio to the holiday time off given full-time employees as the number of hours per week the part-time employee's schedule bears to the number of hours in the regular full-time schedule, regardless of whether the holiday falls on the part-time employee's regular work day. Part-time employees have the option to work during regular business hours on another day during the week or use vacation time to compensate for the part-time holiday time off. If a holiday falls on a part-time employee's scheduled day off, the employee shall take the hours off on another day within the week with prior approval.

In addition, full-time employees, except the Fire Marshal, receive two (2) hours of personal holiday credit each month. Part-time employees receive prorated floating holiday hours each month. Maximum personal holiday credit cumulative accrual is 40 hours.

In the event the employee is required to work on any of the above-mentioned holidays, the employee shall receive equal time off to be taken within two (2) months of that date.

Jury Duty

Employees summoned for jury duty may remain in regular paid status, or they may take vacation leave. If an employee elects to remain in regular paid status, jury duty fees must be forwarded to the District. If an employee elects to use vacation leave, the employee retains all jury duty fees.

Life Insurance

Unrepresented employees are provided a fifty thousand dollar (\$50,000) term life insurance policy, which shall include an accelerated death benefit option. Premiums for this policy are paid by the District. Employees have the option to purchase, at their expense by payroll deduction, up to an additional \$50,000 of life insurance.

Medical/Healthcare Insurance

The District offers Medical Plan options to employees for themselves and their eligible dependents through CalPERS. Employees are eligible to enroll the first of the month following date of hire. The District contribution for unrepresented employees is the same amount per month as provided to employees in Local 1230.

Other Unpaid Leaves

The District provides leaves of absence to eligible employees in a variety of circumstances. In all cases, the District intends to comply with applicable federal and state laws. This includes leave for pregnancy disability, leave under the Family Medical Leave Act and the California Family Rights Act, and federal and state mandated military leave. Medical certification may be required. For additional information on unpaid leaves, consult Human Resources.

Fire Marshal—Overhead and Strike Team Pay

~~Employees may be assigned to The Fire Marshal responding to the request of Mutual Aid and Automatic Aid under the State Mutual Aid Program. All overhead and strike team assignments must be approved in advance by the Fire Chief.~~

~~Non-exempt employees will be paid overtime for all hours worked in excess of 40 hours per week while deployed. Exempt employees will be paid 1.5 times the regular rate of pay for all hours worked in excess of 40 hours per week while deployed. shall receive 'pass-through' compensation of the amount reimbursed to the District, according to the annual salary survey under the California Fire Assistance Agreement. The pass-through of funds would occur on incidents deemed "reimbursable" to the District via The Fire Assistance Agreement or other reimbursable requests from the State Mutual Aid System or OES. The payment would be received by the employee on the next scheduled paycheck, irrespective to any processing lag time. Pass-through compensation will be in effect only on days and times that the employee would ordinarily be scheduled off duty. Pass-through compensation for each event must be approved by the Fire Chief. Should reimbursement be denied due to an omission by the responding employee, the individual will not receive and/or will return any pass-through compensation already provided by the District.~~

Overtime

Exempt, management employees are not entitled to receive overtime pay. Non-exempt employees shall receive overtime pay for any authorized work performed in excess of forty (40) hours per week. For purposes of calculating hours worked, scheduled vacation and holiday pay shall count as hours worked, but sick leave and all other types of leave shall not. All overtime shall be compensated at the rate of one and one-half (1.5) times the employee's regular rate of pay.

Part-Time Employee Salary and Benefits

Part-time employees shall be paid a monthly salary in the same ratio to the full-time monthly rate to which the employee would be entitled as a full-time employee under the provisions of the Salary Schedule as the number of hours per week the employee's part-time work schedule bears to the number of hours in the full time work schedule of the District.

Part-time employees receive prorated vacation, holiday, floating holiday and sick leave benefits. Part-time employees are eligible for medical and dental benefits at the same contribution rates as full-time employees provided they work at least fifty percent (50%) of full-time. If the part-time employee works at least fifty percent (50%) of full time, District retirement participation is also included.

Retiree Health Coverage – Medical and Dental

Full-time employees hired prior to July 1, 2014 will receive retiree medical and dental insurance contributions from the District when retiring with CCCERA in an amount equal to the PERS minimum medical insurance contribution level and an additional amount for a total District contribution obligation of:

Employee Only	\$575.55
---------------	----------

Employee +1	\$1,150.85
Employee +2 or more	\$1,496.11

Employees hired on or after July 1, 2014 will receive retiree medical insurance coverage when retiring with CCCERA in an amount equal to the PERS minimum health insurance contribution. Part-time employees are not eligible for retiree medical or dental benefits.

Retiree medical coverage is subject to PERS rules and regulations and applicable law.

The District will contribute the following amounts toward the retiree’s dental insurance:

Employee Only	\$51.20
Employee +1	\$90.12
Employee +2 or more	\$136.35

The District does not provide vision insurance or life insurance to retired employees.

Retiree Health Savings Account

The District provides a Retiree Health Savings Account through ICMA/MissionSquare Retirement VantageCare. Upon employee enrollment into the Retiree Health Savings Account the District will contribute \$100 per month into the account.

Retirement

The District provides retirement pension benefits through Contra Costa County Employees’ Retirement Association (CCCERA.) All employees receive the FRA 414(h) earning equal to 3.91% of base salary, used to reduce the employee’s share of retirement contributions. Base salary plus FRA equals the employee’s hourly rate.

All employees are responsible to pay 100% of the employee’s contribution for retirement as determined by the CCCERA Board. The District will pay the employer’s contribution for retirement. Safety employees who are eligible to receive the 3% @ 50 pension benefit plan shall also pay 9% of the employer’s contribution.

Section 125 Plan

Employees are eligible to enroll in the Section 125 Plan. The Section 125 Plan allows employees to take advantage of paying for eligible insurance premiums on a pre-tax basis.

Sick Leave

Employees shall receive sick leave at the rate of eight (8) hours for each month of service or a prorated amount for those employees working less than forty (40) hours per week. Accumulation of sick leave shall be unlimited, but may not be cashed out and may not be used for any other purpose than permitted by law, or to calculate final compensation if the employee retires under the applicable District retirement

plan at the time of separation from the District. At the time of retirement, an employee may apply any unused sick leave credits toward retirement service credit as permitted by CCCERA.

State Disability Insurance (SDI)

Non-safety employees who have earned at least \$300 in wages from which SDI deductions were withheld are eligible to apply for State Disability Insurance (SDI) if they are ill due to a non-work related illness or injury and are experiencing a loss of wages. Eligibility and Benefit levels are determined by the State of California Employment Development Department. SDI benefits are typically equal to 60 to 70 percent of an employee's weekly wages, up to a cap. Employees have the option of using sick leave or other accrued leave banks to supplement SDI payments to bring their total compensation up to their normal weekly wages. Under no circumstance will an employee be allowed to combine SDI and paid leave benefits in a manner which causes the employee to receive an amount greater than the employee's normal wages. Non-safety employees are also covered through SDI for Paid Family Leave (PFL) when suffering a loss of wages due to taking time off to care for a seriously ill child, parent, parent-in-law, grandparent, spouse, registered domestic partner, or to bond with a new child.

Uniforms

The Fire Marshal shall receive a monthly uniform allowance of \$80. The District will provide a uniform for all other employees required to wear a uniform.

Vacation

The Fire Marshal shall accrue paid vacation credit at the rate of 20 hours per month. The maximum number of hours that may be accrued for the Fire Marshal is four hundred (400).

All other full-time employees shall accrue paid vacation credit as follows:

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 5 years	10	240
5 years through 14 years	13 2/3	328
15 years through 24 years	16 2/3	400
25 years through 29 years	20	480
30 years and up	23 1/3	560

For management employees, the Fire Chief has discretion to grant length of service credit for prior public service.

Part-time employees shall accrue vacation benefits on a prorated basis based on length of service.

On separation, employees shall be paid for any accrued and unused vacation hours at the employee's then-current rate of pay.

Vision Insurance

The District provides Vision Insurance for employees and eligible dependents. Employees are eligible to enroll in the plan on the first of the month following date of hire.

Voluntary/Supplemental Insurance Plans

The District allows employees the opportunity to supplement their benefits with additional voluntary insurance benefits offered through American Fidelity Assurance Company. These voluntary insurance benefits include life insurance, disability income insurance, cancer insurance, etc. These are voluntary benefits and entirely paid for by the employee via payroll deduction. The District does not contribute to the cost of the voluntary insurance benefits.

Workers' Compensation Insurance

The District provides Workers' Compensation Insurance as required by law from the first day of employment for medical treatment for on-the-job injuries or illness.

**Attachment A
Salary Schedule**

MORAGA-ORINDA FIRE PROTECTION DISTRICT

SALARY AND BENEFITS FOR UNREPRESENTED EMPLOYEES EFFECTIVE NOVEMBER 18, 2021



UNREPRESENTED EMPLOYEE HANDBOOK

Moraga-Orinda Fire Protection District Unrepresented Employee Salary and Benefits

The Moraga-Orinda Fire Protection District (“District”) offers the salary and benefits detailed in this Employee Handbook for the following unrepresented job classifications: Administrative Services Director, Fire Marshal, Human Resources Manager, Finance Manager, Fuels Mitigation Manager, District Secretary/District Clerk, Payroll Technician, Office Specialist and Fuels Mitigation Specialist . The information in this Employee Handbook is intended to detail the benefits offered by the District. Where applicable, specific details and plan limitations are provided in Summary Plan Descriptions (SPD) provided by insurance companies, and from individual employee contracts in some cases. In the event that information in this Employee Handbook differs from Plan Documents, the Plan Documents will prevail. If you have questions or need additional information, please contact Human Resources at 925-258-4521.

The following job classifications are FLSA exempt, management positions: Administrative Services Director, Fire Marshal, Human Resources Manager and Finance Manager. All other unrepresented job classifications are non-exempt.

Administrative Leave

All exempt, unrepresented full-time management employees will be credited 6.67 hours per month of Administrative Leave on the first day of each month. The maximum number of hours that may be accrued is 80 hours. On separation, employees shall be paid for any unused administrative leave hours at the employee’s then-current rate of pay, not to exceed eighty hours.

Employees appointed (hired or promoted) to a management position are eligible for Administrative Leave on the first day of the month following their appointment.

Annual Medical Exams

All employees are encouraged to participate in the annual individual medical exams offered by the District. These exams are offered through the District’s approved medical provider.

At-Will Positions

All unrepresented employees are At-Will employees. The District may remove employees in these positions with or without cause in the sole exercise of discretion by the District. Employees in these positions shall be notified in writing of the District’s intent to terminate and remove employee from the position. Employee shall be given 45-days’ notice or pay-in-lieu thereof prior to the termination becoming effective. Such notice is to be given to employee forty-five (45) days in advance unless the parties otherwise agree in writing prior to the termination becoming effective. In the event the employee voluntarily resigns from the position, the employee shall make best efforts to provide the District a minimum of thirty (30) days’ written notice, unless the parties otherwise agree in writing.

Bereavement Leave

Full-time employees shall have an annual but unaccruable bereavement leave of up to three (3) days per year for the death of a spouse, son, daughter, or parent, as those terms are defined under the FMLA.

Days and Hours of Work

The normal workweek of District employees is forty (40) hours. The core hours for the Administrative office is Monday to Friday from 8:00 a.m. to 5:00 p.m. each day. All full-time employees shall be assigned to a work schedule of Monday to Friday from 8:00 a.m. to 5:00 p.m., with a one (1) hour lunch from either: (a) 11 a.m. to 12 p.m., or (b) 12 p.m. to 1 p.m. District business requirements may require deviations from this schedule with as much advanced notice as possible.

Deferred Compensation Plans (457)

The District offers two (2) 457 Deferred Compensation Plans to employees. District employees may contribute the annual IRS Limit which is currently \$19,500. Employees age 50 and older may be eligible to contribute additional amounts subject to IRS limits.

The District's contribution to all management employees who participate in the deferred compensation plan is \$150 per month. To be eligible for this contribution/incentive, qualifying management employees must maintain a minimum monthly contribution of \$100 to the Deferred Compensation Plan. The base contribution is computed from the date the employee signs an election form to participate in the program. Employees who discontinue contributions or who contribute less than the required amount per month for one (1) month or more will no longer be eligible to receive the \$150 District contribution/incentive. To reestablish eligibility, employees must again establish the minimum monthly contribution of \$100 to the Deferred Compensation Plan.

Dental

The District offers a Dental Plan to employees for themselves and their eligible dependents. Employees are eligible to enroll in the plan on the first of the month following date of hire. The District contribution for unrepresented employees is the same amount per month as what is provided to employees in Local 1230.

Education Incentive

Exempt management employees, except the Administrative Services Director, who hold a Bachelor's degree from an accredited college or university in a related field will receive an education incentive equal to 2.5% of base salary. All exempt management employees, who receive or hold a Master's degree from an accredited college or university in a related field will receive an education incentive equal to 2.5% of base salary. Employees are encouraged to continue pursuing educational opportunities which are mutually beneficial to the District and the employee and are directly related to the duties of their position.

Educational Assistance/Training

Employees are eligible for career development training reimbursement. Reimbursement for job related training must be directly related to the position held at the District. The District policy on Training shall govern reimbursement for training and shall limit reimbursement for career development training.

Employee Assistance Program (EAP)

The District offers employees from the first day of employment an employee assistance program (EAP). The EAP assists employees with emotional, family and other personal problems; offers guidance on financial and legal issues; supports healthy choices; and more.

Entrance Salary and Step Increases

New employees shall generally be appointed at the minimum step of the salary range established for the particular class of position to which the appointment is made. However, the appointing authority may fill a particular position at a step above the minimum of the range.

New employees are eligible for a step increase following 6-months of successful employment and every 12-months thereafter until the top step is reached. Management positions may require completion of job related certifications in order to progress in the salary range.

Flexible Spending Accounts

The District offers both a Medical Reimbursement Account and a Dependent Day Care Account for employees subject to rules and restrictions of the IRS. The plan runs from January 1 through December 31 of each year and annual enrollment is required. Employees are eligible to enroll in the plan on the first of the month following date of hire. The District's Medical Reimbursement Account allows for a \$500 carryover each year per IRS regulations and the plan document. Additional information can be found on the District's internal intranet.

Holidays and Personal Holidays

Employees have the following days off work as paid holidays:

New Year's Day
Martin Luther King's Day
Presidents Day/Washington's Birthday
Memorial Day
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Friday after Thanksgiving
Christmas Eve

Christmas Day

Part-time employees shall receive holiday time off in the same ratio to the holiday time off given full-time employees as the number of hours per week the part-time employee's schedule bears to the number of hours in the regular full-time schedule, regardless of whether the holiday falls on the part-time employee's regular work day. Part-time employees have the option to work during regular business hours on another day during the week or use vacation time to compensate for the part-time holiday time off. If a holiday falls on a part-time employee's scheduled day off, the employee shall take the hours off on another day within the week with prior approval.

In addition, full-time employees, except the Fire Marshal, receive two (2) hours of personal holiday credit each month. Part-time employees receive prorated floating holiday hours each month. Maximum personal holiday credit cumulative accrual is 40 hours.

In the event the employee is required to work on any of the above-mentioned holidays, the employee shall receive equal time off to be taken within two (2) months of that date.

Jury Duty

Employees summoned for jury duty may remain in regular paid status, or they may take vacation leave. If an employee elects to remain in regular paid status, jury duty fees must be forwarded to the District. If an employee elects to use vacation leave, the employee retains all jury duty fees.

Life Insurance

Unrepresented employees are provided a fifty thousand dollar (\$50,000) term life insurance policy, which shall include an accelerated death benefit option. Premiums for this policy are paid by the District. Employees have the option to purchase, at their expense by payroll deduction, up to an additional \$50,000 of life insurance.

Medical/Healthcare Insurance

The District offers Medical Plan options to employees for themselves and their eligible dependents through CalPERS. Employees are eligible to enroll the first of the month following date of hire. The District contribution for unrepresented employees is the same amount per month as provided to employees in Local 1230.

Other Unpaid Leaves

The District provides leaves of absence to eligible employees in a variety of circumstances. In all cases, the District intends to comply with applicable federal and state laws. This includes leave for pregnancy disability, leave under the Family Medical Leave Act and the California Family Rights Act, and federal and state mandated military leave. Medical certification may be required. For additional information on unpaid leaves, consult Human Resources.

Overhead and Strike Team Pay

Employees may be assigned to respond to the request of Mutual Aid and Automatic Aid under the State Mutual Aid Program. All overhead and strike team assignments must be approved in advance by the Fire Chief.

Non-exempt employees will be paid overtime for all hours worked in excess of 40 hours per week while deployed. Exempt employees will be paid 1.5 times the regular rate of pay for all hours worked in excess of 40 hours per week while deployed. The payment would be received by the employee on the next scheduled paycheck.

Overtime

Exempt, management employees are not entitled to receive overtime pay. Non-exempt employees shall receive overtime pay for any authorized work performed in excess of forty (40) hours per week. For purposes of calculating hours worked, scheduled vacation and holiday pay shall count as hours worked, but sick leave and all other types of leave shall not. All overtime shall be compensated at the rate of one and one-half (1.5) times the employee's regular rate of pay.

Part-Time Employee Salary and Benefits

Part-time employees shall be paid a monthly salary in the same ratio to the full-time monthly rate to which the employee would be entitled as a full-time employee under the provisions of the Salary Schedule as the number of hours per week the employee's part-time work schedule bears to the number of hours in the full time work schedule of the District.

Part-time employees receive prorated vacation, holiday, floating holiday and sick leave benefits. Part-time employees are eligible for medical and dental benefits at the same contribution rates as full-time employees provided they work at least fifty percent (50%) of full-time. If the part-time employee works at least fifty percent (50%) of full time, District retirement participation is also included.

Retiree Health Coverage – Medical and Dental

Full-time employees hired prior to July 1, 2014 will receive retiree medical and dental insurance contributions from the District when retiring with CCCERA in an amount equal to the PERS minimum medical insurance contribution level and an additional amount for a total District contribution obligation of:

Employee Only	\$575.55
Employee +1	\$1,150.85
Employee +2 or more	\$1,496.11

Employees hired on or after July 1, 2014 will receive retiree medical insurance coverage when retiring with CCCERA in an amount equal to the PERS minimum health insurance contribution. Part-time employees are not eligible for retiree medical or dental benefits.

Retiree medical coverage is subject to PERS rules and regulations and applicable law.

The District will contribute the following amounts toward the retiree’s dental insurance:

Employee Only	\$51.20
Employee +1	\$90.12
Employee +2 or more	\$136.35

The District does not provide vision insurance or life insurance to retired employees.

Retiree Health Savings Account

The District provides a Retiree Health Savings Account through ICMA/MissionSquare Retirement VantageCare. Upon employee enrollment into the Retiree Health Savings Account the District will contribute \$100 per month into the account.

Retirement

The District provides retirement pension benefits through Contra Costa County Employees’ Retirement Association (CCCERA.) All employees receive the FRA 414(h) earning equal to 3.91% of base salary, used to reduce the employee’s share of retirement contributions. Base salary plus FRA equals the employee’s hourly rate.

All employees are responsible to pay 100% of the employee’s contribution for retirement as determined by the CCCERA Board. The District will pay the employer’s contribution for retirement. Safety employees who are eligible to receive the 3% @ 50 pension benefit plan shall also pay 9% of the employer’s contribution.

Section 125 Plan

Employees are eligible to enroll in the Section 125 Plan. The Section 125 Plan allows employees to take advantage of paying for eligible insurance premiums on a pre-tax basis.

Sick Leave

Employees shall receive sick leave at the rate of eight (8) hours for each month of service or a prorated amount for those employees working less than forty (40) hours per week. Accumulation of sick leave shall be unlimited, but may not be cashed out and may not be used for any other purpose than permitted by law, or to calculate final compensation if the employee retires under the applicable District retirement plan at the time of separation from the District. At the time of retirement, an employee may apply any unused sick leave credits toward retirement service credit as permitted by CCCERA.

State Disability Insurance (SDI)

Non-safety employees who have earned at least \$300 in wages from which SDI deductions were withheld are eligible to apply for State Disability Insurance (SDI) if they are ill due to a non-work related illness or injury and are experiencing a loss of wages. Eligibility and Benefit levels are determined by the State of

California Employment Development Department. SDI benefits are typically equal to 60 to 70 percent of an employee’s weekly wages, up to a cap. Employees have the option of using sick leave or other accrued leave banks to supplement SDI payments to bring their total compensation up to their normal weekly wages. Under no circumstance will an employee be allowed to combine SDI and paid leave benefits in a manner which causes the employee to receive an amount greater than the employee’s normal wages. Non-safety employees are also covered through SDI for Paid Family Leave (PFL) when suffering a loss of wages due to taking time off to care for a seriously ill child, parent, parent-in-law, grandparent, spouse, registered domestic partner, or to bond with a new child.

Uniforms

The Fire Marshal shall receive a monthly uniform allowance of \$80. The District will provide a uniform for all other employees required to wear a uniform.

Vacation

The Fire Marshal shall accrue paid vacation credit at the rate of 20 hours per month. The maximum number of hours that may be accrued for the Fire Marshal is four hundred (400).

All other full-time employees shall accrue paid vacation credit as follows:

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 5 years	10	240
5 years through 14 years	13 2/3	328
15 years through 24 years	16 2/3	400
25 years through 29 years	20	480
30 years and up	23 1/3	560

For management employees, the Fire Chief has discretion to grant length of service credit for prior public service.

Part-time employees shall accrue vacation benefits on a prorated basis based on length of service.

On separation, employees shall be paid for any accrued and unused vacation hours at the employee’s then-current rate of pay.

Vision Insurance

The District provides Vision Insurance for employees and eligible dependents. Employees are eligible to enroll in the plan on the first of the month following date of hire.

Voluntary/Supplemental Insurance Plans

The District allows employees the opportunity to supplement their benefits with additional voluntary insurance benefits offered through American Fidelity Assurance Company. These voluntary insurance

benefits include life insurance, disability income insurance, cancer insurance, etc. These are voluntary benefits and entirely paid for by the employee via payroll deduction. The District does not contribute to the cost of the voluntary insurance benefits.

Workers' Compensation Insurance

The District provides Workers' Compensation Insurance as required by law from the first day of employment for medical treatment for on-the-job injuries or illness.

**Attachment A
Salary Schedule**

**MORAGA ORINDA FIRE DISTRICT
SALARY SCHEDULE MONTHLY
UNREPRESENTED EMPLOYEES
EFFECTIVE JULY 1, 2021
REVISED OCTOBER 2021**



CLASSIFICATION	RANGE	BASE SALARY	FIRE RETIREMENT ALLOTMENT	TOTAL BASE SALARY	EDUCATIONAL INCENTIVE	HOURLY RATE	OVERTIME RATE	UNIFORM PAY
FIRE CHIEF		\$21,314.50	\$834	\$22,148.50		\$127.78		
ADMINISTRATIVE SERVICES DIRECTOR	Maximum Minimum	16,301 13,446	638 526	16,939 13,972	\$423.48 349.30	97.73 80.61		
FIRE MARSHAL	Maximum Minimum	16,365 13,838	640 542	17,005 14,380	425.13 359.50	98.11 82.96		\$80
HUMAN RESOURCES BENEFITS MANAGER	Maximum Minimum	9,281 7,657	363 300	9,644 7,957	241.10 198.93	55.64 45.91		
FUELS MITIGATION PROGRAM MANAGER	Maximum Minimum	9,017 7,426	353 291	9,370 7,717		54.06 44.52	\$81.09 66.78	
FINANCE MANAGER	Maximum Minimum	8,395 6,909	329 271	8,724 7,180	218.10 179.50	50.33 41.42		
DISTRICT SECRETARY/ DISTRICT CLERK	5 4 3 2 1	8,395 7,994 7,614 7,253 6,909	329 313 298 284 271	8,724 8,307 7,912 7,537 7,180		50.33 47.93 45.65 43.48 41.42	75.50 71.90 68.48 65.22 62.13	
PAYROLL TECHNICIAN	5 4 3 2 1	7,753 7,382 7,030 6,696 6,379	304 289 275 262 250	8,057 7,671 7,305 6,958 6,629		46.48 44.26 42.15 40.14 38.24	69.72 66.39 63.23 60.21 57.36	
OFFICE SPECIALIST CONFIDENTIAL	5 4 3 2 1	6,964 6,633 6,317 6,016 5,729	273 260 247 236 224	7,237 6,893 6,564 6,252 5,953		41.75 39.77 37.87 36.07 34.34	62.63 59.66 56.81 54.11 51.51	
FUELS MITIGATION SPECIALIST	3 2 1	4,248 4,036 3,834	167 158 150	4,415 4,194 3,984		25.47 24.20 22.99	38.21 36.30 34.49	



Moraga-Orinda Fire District

TO: Board of Directors

FROM: Gloriann Sasser, Administrative Services Director

DATE: November 17, 2021

SUBJECT: **Item 8.6 – Adopt Resolution No. 21-19 Adopting the VantageCare Retirement Health Savings Program**

BACKGROUND

The District recently entered into a new Memorandum of Understanding (MOU) with United Professional Fire Fighters of Contra Costa County I.A.F.F. Local 1230. Per the terms of the MOU, the District will establish a retiree health savings account with a District contribution of \$100 per month for all active bargaining unit members. This account is a defined contribution account and does not increase District unfunded liabilities.

The District is eligible to join the ICMA VantageCare Retirement Health Savings Program (RHS Program). The RHS Program allows governmental employers to accumulate assets to pay for health insurance and out-of-pocket medical expenses in retirement. The RHS Program complies with the Internal Revenue Service requirements for Health Reimbursement Arrangements.

The District is required to establish an integral part trust that is provided by the RHS Program. ICMA will perform administrative services for the RHS Program. ICMA charges \$25 per account per year. ICMA also charges asset-based fees for certain mutual funds which are paid by the employee.

FISCAL IMPACT

Per the terms of the MOU, the annual cost of the RHS Program is as follows:

Local 1230 - \$69,825 (57 budgeted position)
Moraga-Orinda Fire Chief Officers' Association - \$3,675 (3 budgeted positions)
Unrepresented Employees - \$13,475 (11 budgeted positions)

STAFF RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Adopt Resolution No. 21-19 Adopting the VantageCare Retirement Health Savings Program

ATTACHMENTS

Attachment A Resolution No. 21-19 A Resolution Adopting the VantageCare Retirement Health Savings Program

RESOLUTION NO 21-19

**A RESOLUTION OF THE
MORAGA-ORINDA FIRE PROTECTION DISTRICT
ADOPTING VANTAGECARE RETIREMENT HEALTH SAVINGS PROGRAM**

Plan Number: 800289

Name of Employer: Moraga-Orinda Fire Protection District "District" State: California

Resolution of the above-named Employer (the "Employer"):

WHEREAS, the District has employees rendering valuable services; and

WHEREAS, the establishment of a retiree health savings program for such employees serves the interests of the Employer by enabling it to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the establishment of the retiree health savings program (the "Program") serves the above objectives;

NOW, THEREFORE BE IT RESOLVED, that the Employer hereby adopts the ICMA Retirement Corporations VantageCare Retirement Health Savings program ("Program") through the Employer's integral part trust ("Trust") and the Employer's welfare benefits plan ("Plan").

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the Administrative Services Director serving as trustee for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan. The Employer has executed the Declaration of Trust of the Moraga-Orinda Fire Protection District Integral Part Trust in the form of the sample trust made available by the ICMA Retirement Corporation.

BE IT FURTHER RESOLVED, that the Human Resources Manager shall be the coordinator and contact for the Program and shall receive necessary reports, notices, etc.

PASSED, APPROVED and ADOPTED this 17th day of November 2021 at the regular meeting of the District Board of Directors held virtually on November 17, 2021, on motion made by Director _____, seconded by Director _____, and duly carried with the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated: **November 17, 2021**
Resolution: **21-19**

Craig Jorgens, President
Board of Directors

I certify that this is a full, true and correct copy of the original document which is on file in my office, and that was passed and adopted by the Moraga-Orinda Fire Protection District on the date shown.

ATTEST:

Marcia Holbrook, District Clerk



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Dave Winnacker, Fire Chief
DATE: November 17, 2021
SUBJECT: Item 8.7 – Election of Board Officers

BACKGROUND

Each year, the Board of Directors elects new officers. The 2021 officers are as follows:

President	Craig Jorgens
Vice President	Michael Donner
Secretary	Gregory Baitx
Treasurer	Steven Danziger
Director	John Jex

RECOMMENDATION

- 1) Discuss; 2) Deliberate; 3) Elect new officers to be effective January 1, 2022.



Moraga-Orinda Fire District

TO: Board of Directors
FROM: Dave Winnacker, Fire Chief
DATE: November 17, 2021
SUBJECT: **Item 8.8 – Appointment of Standing and Ad Hoc Committee Members and District Liaisons**

BACKGROUND

Each year, the Board of Directors appoints new Committee Members and District Liaisons.

The Board presently has two (2) Standing Committees and one (1) Ad Hoc Committee:

Audit Standing Committee	Directors Danziger and Jex
Finance Standing Committee	Directors Danziger and Jorgens
Facilities Station 41 Ad Hoc Committee	Directors Baitx and Donner

The Board presently assigns District Liaisons to five (5) outside agencies:

Contra Costa County Fire Boards and Commissioners Assoc.	Director Danziger
Contra Costa Special Districts Association	Director Jex
Local Agency Formation Committee (LAFCO)	Director Donner
Moraga Town Council	Director Jex
Orinda City Council	Director Jorgens

RECOMMENDATION

1) Discuss; 2) Deliberate; 3) Appoint new Audit and Finance Committee members, Ad Hoc Committee members, and District Liaisons to be effective January 1, 2022



Moraga-Orinda Fire District

Office of the Fire Marshal

Fire Prevention Report October 2021

Number/Types of Complaints:

- Dead tree – **123 YTD**
- Exterior Hazard – **193 YTD**
- Property Transfer Inspections-**671 YTD**
 - Property Transfer Initial Pass- **359**
 - Property Transfer Initial Fail- **312**

Exterior Hazard Inspections 2021:

- Number of Assessments – **1952**
- Initial Pass – **632/** Initial Failed – **1320**
- Number of Notice to Abate – **358**
- Number of Pre-citations – **44**
- Number of Citations – **36**
- Number of Open Case - **178**
- Number of Abatement Hearings – **3**

Number of Failed Properties Moved to Weed Abatement Hearings 2020: 21

- Number of properties ordered to abate – **21**
- Number of properties abated – **7 /** Total Cost District Funded Work: **\$36,960****Inc. admin fee*
- Number of properties moved to Lien Assessment Hearing – **6**
- Total Amount Liens placed: **\$31,490**

Number of Failed Properties Moved to Weed Abatement Hearings 2021: 3

- Number of properties ordered to abate – **3**
- Number of properties abated – **2 /** Total Cost District Funded Work: **\$58,740****Inc. admin fee*
- Number of properties moved to Lien Assessment Hearing – **0**
- Total Amount Liens placed: **\$**

CHIPPING:

Total YTD – **67** Days, Tons **309**

- Number of days– **20**
- Total estimated material removed– **49**

STATE MANDATED INSPECTIONS:

- E Occupancy– **4 (8 passed/8 failed)**
Public K-12 Schools
- R-1 Occupancy– **0**
Boarding Houses, Motels, Hotels
- R-2 Occupancy–**1 (18 passed/56 failed)**
Apartments, Dorms, fraternities, sororities
- I Occupancy– **0**
Jails
- High Rise

PLAN REVIEW:

2020- 296

2021-

January– 55
February– 20
March– 40

April– 44
May– 22
June– 44

July- 20
August- 33
September- 16

October- 12
November-
December-

CURRENT PROJECTS:

- Working on Complaint Backlog
- Inspections & Follow Up
- Pinehurst Fuel Break
- Supporting Pile Burning

PLAN FOR THIS QUARTER:

- Prep For Tunnel East Bay Hills Grant
- FMS Training
- Fire Code Update