



Moraga-Orinda Fire District
BOARD OF DIRECTORS
REGULAR BOARD MEETING MINUTES
May 17, 2023
(Approved: June 21, 2023)

1. OPENING CEREMONIES

The Board of Directors convened Open Session at 6:30 p.m. on May 17, 2023, at the Sarge Littlehale Room, 22 Orinda Way, Orinda, California 94563. This meeting was conducted in a hybrid format with in-person and remote options for public participation. President Jex called the meeting to order, requested an attendance roll call, and led the pledge of allegiance.

Present were the following Directors and Staff (present in person unless noted):

President Jex	Dave Winnacker, Fire Chief
Director Danziger	Gloriann Sasser, Admin Services Director
Director Hasler	Jonathan Holtzman, District Counsel
Director Jorgens -(Absent)	Marcia Holbrook, District Clerk
Director Roemer	

2. PUBLIC COMMENT – CLOSED SESSION ITEMS (audio 00:01:20)

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

At 6:31 p.m., the Board adjourned to Closed Session.

3. CLOSED SESSION

3.1 Conference with Real Property Negotiators

(Government Code Section 54956.8)

Agency Negotiator: David Winnacker

Negotiating parties: Moraga School District

Under Negotiations: Consideration of and authorization to proceed with real estate negotiations by the Fire Chief regarding the potential acquisition of the real properties concerning price and terms of payment. Real Property: 257-210-013-5

At 6:58 p.m., the Board adjourned the Closed Session.

4. RECONVENE THE MEETING (audio 00:31:33)

President Jex reconvened the Moraga-Orinda Fire District Board of Directors' regular meeting at 7:01 p.m. and requested an attendance roll call. Present were the following Directors and Staff (present in person unless noted):

President Jex	Dave Winnacker, Fire Chief	Dennis Rein, Emerg. Preparedness Coord.
Director Danziger	Gloriann Sasser, Admin Services Director	Jonathan Holtzman, District Counsel
Director Hasler	Jeff Isaacs, Fire Marshal	Marcia Holbrook, District Clerk
Director Jorgens -(absent)	Lucas Lambert, Battalion Chief –	
Director Roemer	(present via Zoom)	

5. REPORT OF CLOSED SESSION ACTION (audio 00:31:45)

President Jex stated that the Board took no reportable action on agenda item 3.1

6. PUBLIC COMMENT - ITEMS NOT ON THE AGENDA (audio 00:31:50)

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

7. PUBLIC HEARING (Audio 00:32:26)

7.1 Waive the First Reading and Introduce Ordinance 23-06, a Moraga-Orinda Fire District of Contra Costa County, California, Declaring Certain Hazardous Vegetation and Combustible Material a Public Nuisance and Providing for the Abatement and/or Removal Thereof, and finding that adoption of the Ordinance is exempt from the California Environmental Quality Act.

Fire Marshal Isaacs provided the report. The proposed Ordinance was originally part of the 2019 Fire Code, specifically related to the Exterior Hazard Abatement process. However, the 2022 Fire Code update removed the Exterior Hazard Abatement section from the Code. As a result, the Exterior Hazard Abatement had to be separated from the Fire Code, and a separate Ordinance needed to be established.

Ordinance 23-06 retains the same procedures as the previous Fire Code, except for allowing Abatement Hearings to be held during Special Board meetings. Ordinance 23-06 establishes the process for District-funded Abatement work when necessary.

Director Roemer asked if Staff was anticipating needing to hold appeals at times other than during regular board meetings. Fire Marshal Isaacs reviewed the challenges of only being allowed to schedule a hearing during regular meetings and the benefits of having additional scheduling options with the Board. Director Roemer inquired if the meetings would adhere to the same format, allowing in-person attendance and a remote option. Fire Chief Winnacker confirmed that the same rules would still apply. Due to the notification requirements and the need to provide all relevant information to the appellant, there are instances where a request for a hearing could be made 15 days before a meeting, but because of the notification requirements could take up to 45 days to schedule. Considering the time-sensitive nature of the work, expediting the process is beneficial. The previous requirement to hold these hearings only during regularly scheduled board meetings could cause delays until the rainy season, which raises questions about the value of conducting the work at that time. Director Roemer inquired if the quorum requirements stayed the same. Fire Chief Winnacker confirmed.

President Jex opened the public hearing. There were no public comments or testimony by proponents or opponents of Ordinance 23-06 to address the Board. No further questions or discussion by the District Board. President Jex opened the public comment on the Motion. There were no requests to address the Board. President Jex closed the public hearing.

Motion by Director Roemer and seconded by Director Hasler to waive the first reading of the full text and introduce Ordinance 23-06, a Moraga-Orinda Fire District of Contra Costa County, California, Declaring Certain Hazardous Vegetation and Combustible Material a Public Nuisance and Providing for the Abatement and/or Removal Thereof by title only; finding that adoption of the Ordinance is exempt from the California Environmental Quality Act. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None)

7.2 Waive the First Reading and Introduce Ordinance 23-07, an Ordinance of the Moraga-Orinda Fire District of Contra Costa County, California, repealing Ordinance No. 21-01, an Ordinance Adopting an Administrative Citation Program, and Adopting an Amended Administrative Citation Program, and finding that adoption of the Ordinance is exempt from the California Environmental Quality Act (audio 00:37:06)

Fire Marshal Isaacs provided the report. In April 2021, the Board approved Ordinance 21-01, which provided a detailed process for issuing Administrative Citations. Staff proposed the following changes to Ordinance 21-01.

- It clarifies that no pre-citation notice is required for violations that constitute an immediate danger to health and safety (Section 7(b)(i).)
- Provides that no pre-citation notice is required if the Fire Official issued an Administrative Citation to the Responsible Person for a violation of the Code in the immediately preceding calendar year and the Responsible Person has violated the same provision of the Code. (Section 7(b)(ii).)
- It makes explicit that each day the violation occurs constitutes a separate violation. (Section 8(b).)
- While the District is not required to issue a fine to a person for each day of violation, this reserves the District the ability to do so in egregious cases.
- Finds that adoption of the Ordinance is exempt from the California Environmental Quality Act.

Director Danziger asked if there were other Fire Official designees besides the Fire Chief or Fire Marshal. Fire Chief Winnacker explained the process that issuing a citation occurs after a series of steps are taken involving various members of the fire district. The authority to issue citations has been delegated to the Fire Marshal but not to anyone below that position. For any citations that rise to the level of requiring additional scrutiny, the Fire Chief will get involved. Director Hasler asked about the process for repeated violations from one year to the following year. Fire Chief Winnacker explained the amendments address the cases where the issue had previously been cited, and Staff is certain that the Responsible Party was aware of the Fire Code requirements.

Director Danziger inquired about the applicability of the Ordinance to the property that underwent an Abatement Hearing in 2022 and currently exhibits poor conditions. Fire Marshal Isaacs responded that the Ordinance facilitates the continuation of the citation process if a violation of the Code continues to exist in the preceding calendar year and the Responsible Person has violated the same provision of the Code. Fire Chief Winnacker stated the Administrative Citation process is specifically designed to reduce the District's reliance on lien-funded work, specifically around owner-occupied developed parcels.

President Jex opened the public hearing. There were no public comments or testimony by proponents or opponents of Ordinance 23-07 to address the Board. No further questions or discussion by the District Board. President Jex opened the public comment on the Motion. There were no requests to address the Board. President Jex closed the public hearing.

Motion by Director Danziger and seconded by Director Roemer to waive the first reading of the full text and introduce Ordinance 23-07, an Ordinance of the Moraga-Orinda Fire District of Contra Costa County, California, repealing Ordinance No. 21-01, an Ordinance Adopting an Administrative Citation Program, and Adopting an Amended Administrative Citation Program by title only; finding that adoption of the Ordinance is exempt from the California Environmental Quality Act. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None)

8. ANNOUNCEMENTS (audio 00:45:25)

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

8.2 Questions and informational comments from Board members and Staff. Director Roemer commended Captain Jacob Airola for the contributions made to the Child Abuse Prevention Council. Director Hasler thanked the Staff for the Open house held at Station 45 on May 13, 2023.

8.3 Communications Received. 1) Child Abuse Prevention Council, thanking the District for its support.

8.4 Fire Chief Updates

a. Finance Report

Administrative Services Director Sasser presented the status of OES reimbursements, attached to these minutes, as item 8.4(a). Other items reported: County Investment: The District invested an additional \$5M from Local Agency Investment Fund (LAIF) in a 3-month treasury bill on April 25, 2023 with a yield of 5.034% (Maturity July 25, 2023). This is in addition to the \$3M treasury bill purchased on March 27, 2023 (3-month, yield of 4.727%, Maturity June 22, 2023).

b. Human Resources

Fire Chief Winnacker provided the recruitment update:

1. **Firefighter Paramedic Trainee & Lateral:** Interviews scheduled for May 18 and May 19, 2023. Thirty-two applications were received.
2. **Fire Captain Paramedic – Promotional:** scheduled in June 2023. Three applications were received.
3. **Fuels Mitigation Specialist (Grant-funded):** the deadline to apply: open and continuous.
 - a. One of the Fuels Mitigation Specialists has been offered a new position with another agency and has provided their resignation notice, effective in two weeks.
 - b. One Fuels Mitigation Specialist has completed the background check process and starts the week of May 22, 2023.
4. **Fire Inspector/Plans Examiner:** Steve Chou has accepted the interim position.
5. **Tunnel East Bay Hills Fuel Break Project Coordinator:** the deadline to apply: is open and continuous. There is currently one potential candidate under consideration. Staff is in the final stages of coordination with CCCERA to ensure the language is accurate and avoids any inadvertent triggering of pension obligations.

c. Fire Marshal

Fire Marshal Isaacs provided the report and reviewed the monthly Fire Prevention report statistics, included in the Board packet, item 8.4(c), and breakdown of the 2022 open cases. The Fire Prevention current projects include:

- Re-inspections.
- Prescribed fire projects.
- Training of Staff.
- Preparing for June 1 inspections.
- Winter fuel reduction projects.
- Evacuation route inspections.
- County Fire Marshal meetings.

Director Danziger asked if the citations issued to people are subject to public record. District Counsel Holtzman (inaudible). Fire Chief Winnacker responded that the citations are not privileged information and expressed no objection to publishing the information, particularly in repeated violations where the citation amounts reach \$200 and above. However, Fire Chief Winnacker cautioned against publishing at earlier stages in the process. By the time the District reaches citations

of \$200 and above, there have been numerous warnings and a clear understanding of the requirements. Some of these properties pose significant risks to the community due to their size and location, undermining the District's strategic efforts to mitigate wildfire risks and reduce the community's exposure to such hazards.

President Jex asked about the collection status of the outstanding citations. ASD Sasser explained that the District outsources the collection of the citations to a company called Data Ticket. Data Ticket performs the collection. If the responsible party does not pay after repeated notices, Data Ticket sends the citation to the Franchise Tax Board for collection.

President Jex inquired about the District's priority regarding the 15-foot clearance violations. Fire Marshal Isaacs confirmed that the primary focus is on the evacuation routes. Fire Chief Winnacker explained that the priorities for the 2023 calendar year were presented to the Board in March 2023 and published internally in January. Roadside clearance violations are not seasonal or recurrent hazards like weeds. Any tree that overhangs the road is considered a violation of the Fire Code at all times. These inspection areas are year-round and conducted before the June 1st deadline, allowing resources to be allocated for more comprehensive inspections of side and backyard areas away from the evacuation routes in the priority neighborhoods identified in the 2023 Fire Prevention priority document.

Fire Chief Winnacker continued by saying the evacuation routes only address the issue of getting residents out, but they do not address the issue of keeping fire out. The priority neighborhoods that have been selected are those that have significant wildland-urban interface exposure and have organized neighborhood organizations (HOAs or Firewise) that can be utilized and beneficial to share the message that the District is coming, the dates the District will be in the area and provide the resources residents can access in advance of the District's arrival to help these neighborhoods come into compliance with the Fire Code.

The District is working on building a graphic display that shows the status of parcels (inspected-compliant or inspected-non-compliant). When combined with the other layers, it will provide valuable insight regarding the State of Efforts, where the District should prioritize and build on that knowledge as the data shows how the fire might be able to run. The underpinning of that is that the District has resources available to apply against that problem, and moving the evacuation route inspections to before June 1 is a critical element in that plan. President Jex inquired about the current status of Moraga Way. Fire Chief Winnacker responded that Moraga Way has improved. If driving towards Station 41 into Moraga, a lot of the city-owned and some PG&E-owned land around the Orinda Oaks Parks is dramatically better, and a great deal of work has been done.

d. Tunnel East Bay Hills Fuel Break Project

Fire Chief Winnacker reported that Staff is currently in the last phase of the environmental review process and is in the process of selecting a Project Coordinator for hiring. Once the approval is obtained from the Environmental and Cultural consultant and the Project Coordinator is onboard, Staff will be fully ready to begin the project. The District already has existing contracts with Contractors who will provide the necessary mitigation services for the project. Additionally, the timing of the project aligns with the late rains that happened this year.

e. Prescribed Fire Update

Emergency Preparedness Coordinator Rein provided a PowerPoint presentation attached to these minutes as item 8.4e. Mr. Rein began by providing an update on the District's use of prescribed fire as a tool for managing fuels and reducing the occurrence of extreme fires. Prescribed fire is described as a financially sustainable method compared to other options and can minimize the spread of insect pests and diseases and support native plants. There are two methods of prescribed fire: pile burning and broadcast burning. Pile burning is done in wet months and does not require extensive control lines or soil disturbance. Broadcast burning treats larger areas, prevents non-native plants from re-growing and promotes native plant growth.

Mr. Rein outlined the extensive planning process for prescribed fire, which involves coordination with landowners, partners, and other agencies. Mr. Rein emphasized the importance of smoke management and public information and described the steps to implement a prescribed fire project. Public information is shared through various channels, including social media, websites, road signage, and Nixle alerts. Mr. Rein highlighted the go/no-go checklist used before each project to ensure suitable conditions for burning. Extensive safety measures and operational briefings are also conducted.

Director Danziger asked if a private property owner could request a prescribed burn to help mitigate their property. Mr. Rein confirmed there were qualifying circumstances where the District has used prescribed fire to mitigate private property and used funds from Measure X to pay the crews for the work. Fire Chief Winnacker clarified that prescribed fire applies to "pile burning" when the large parcel is strategically located, and there is a clear public benefit to reducing the fuels. Broadcast burning requires more extensive resources and would not be available to private landowners. President Jex asked how many days the District would like to burn if available. Mr. Rein explained that the number of available burn days is not the limiting factor; it is generally crew availability and project readiness.

Director Roemer expressed his positive opinion about prescribed burns and appreciation for the department's efforts. Director Roemer shared a specific incident where a group of Boy Scouts and their parents observed a controlled burn and were fascinated, noting that the flames were low and the smoke was minimal. Director Roemer opined that those who complain about the safety and smoke of controlled burns are usually those who have not witnessed them firsthand. Director Roemer suggested involving more members of the public to witness the controlled burns.

Mr. Rein concluded his report by sharing that the District has burned 320 piles and 52 acres of broadcast burning for the current fiscal year. Seven planned projects or 100-plus acres are planned for the upcoming year.

f. Operations

Battalion Chief Lambert provided the report, attached to these minutes, as item 8.4(f). The presentation covered recent Operation activities. First, Crews completed their annual hydrant maintenance, with Firefighters painting and ensuring the visibility and functionality of 1,500 hydrants in the District. Next, a simulated fire exercise took place with representatives from various agencies discussing mutual aid strategies in the event of a rapid-moving wildland fire. Fire modeling software was used to simulate extreme fire weather conditions, and discussions focused on anticipating needs and requesting resources through the California Mutual Aid system. Radio communications, staging locations, and evacuation procedures were also practiced.

Battalion Chief Lambert addressed the high number of roadway emergencies, emphasizing adverse driving conditions, distracted drivers, and speeding as common factors in vehicle accidents. The public is reminded to slow down, avoid handheld devices, and yield to emergency responders. Battalion Chief Lambert showed pictures of an incident where Crews responded to a vehicle accident off the roadway, and a Battalion Chief from Contra Costa County Fire was struck by a civilian vehicle. Both scenes were managed, and the accident is under investigation.

Battalion Chief Lambert discussed the prescribed fire completed by Moraga-Orinda and Contra Costa County Firefighters near Wagner Ranch, which aimed to reduce wildfire risks and improve conditions for native vegetation, with coordination and smoke mitigation measures in place.

The Open House event at Station 45 in Orinda was acknowledged—a special thank you to the Wilson family for their generous donation to the Rescue One Foundation. The donation allowed for the acquisition of cardiac field monitors named "The Pete Pack" in honor of the late MOFD Board member, Pete Wilson, who served from 1997 to 2010.

President Jex opened Public Comment for items 8.1-8.4.

Daniel Elbanna, Fire Captain and Local 1230 Union Representative (attended by Zoom) addressed the interview and hiring process for the Firefighter Paramedic. Last year, there were 40-42 applicants, but only one currently participates in the Academy. This year, there are only 33 applicants, which is considered a low number given the anticipated retirements and injuries within the department. Captain Elbanna expressed concern about whether the department can hire the desired number of candidates from the current applicant pool.

There were no additional requests to address the Board.

CONSENT AGENDA (audio 01:45:14)

9.1 Meeting Minutes – April 19, 2023 (regular), April 19, 2023 (public workshop)

9.2 Monthly Incident Report – April 2023

9.3 Monthly Check/Voucher Register – April 2023

9.4 Quarterly Investment Report – March 2023

9.5 Dissolve the Ad Hoc Investment Committee

Director Danziger requested to pull item 9.2.

President Jex opened Public Comment on the Motion. There were no requests to address the Board.

Motion by Director Roemer and seconded by Director Hasler to approve Consent Agenda items 9.1, 9.3, 9.4, 9.5. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None).

9.2 Monthly Incident Report – April 2023

Director Danziger inquired about the discrepancy in EMS response times between Moraga, Orinda, and Canyon and asked about the reason. Director Danziger opined that the higher response time in Orinda could be attributed to the ambulance originating from Moraga. Fire Chief Winnacker explained that the EMS response in Orinda does not originate from Moraga but directly from the Orinda Fire Station 45, which is located in Orinda. A thorough review of the calls would be necessary to identify the underlying factors. Staff will research and provide more information.

President Jex opened Public Comment on the Motion. There were no requests to address the Board.

Motion by Director Danziger and seconded by Director Roemer to approve Consent Agenda items 9.2. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None).

10. REGULAR AGENDA

10.1 Adopt Resolution 23-11 of the Moraga-Orinda Fire Protection District Appointing the Board Members of the Board of Directors as Members of Board of Appeals (audio 01:49:03)

Fire Marshal Isaacs provided the report. Resolution 23-11 pertains to the appointment of Board Members of the Board of Directors as Members of the Board of Appeals. The resolution serves as a final step in the cleanup process for the 2019 Fire Code. Previously, the Board conducted hearings for cases related to Exterior Hazard Abatement and Fire Code issues outlined in the California Fire Code (Title 24, Part 9). However, since the Exterior Hazard Abatement and its associated hearing process were removed from the Fire Code, it became necessary to establish the Board as a board of appeals. The resolution focuses on appeals concerning matters related to the California Fire Code. District staff collaborated with District Council to develop a resolution and hearing procedures, allowing the Board to act as a hearing officer for individuals who wish to appeal matters pertaining to the Fire Code. Director Hasler asked if the appeals would happen at a regular board meeting. Fire Marshal Isaacs confirmed.

President Jex opened the public comment. There were no requests to address the Board. President Jex opened the public comment on the Motion. There were no requests to address the Board.

Motion by Director Roemer and seconded by Director Danziger to Adopt Resolution 23-11 of the Moraga-Orinda Fire Protection District Appointing the Board Members of the Board of Directors as Members of the Board of Appeals. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None).

10.2 Annual Audit and Provide Direction Regarding the Draft Annual Comprehensive Financial Report as of the Fiscal Year Ended June 30, 2022 (audio 01:51:40)

Administrative Services Director Sasser provided the report. The District completed the preparation of its Annual Comprehensive Financial Report (ACFR). A draft of the report was circulated to all Board Members on May 2, 2023, with a request for any changes or edits to be submitted to Staff. All modifications directed by Board Members have been incorporated into the draft report, which is included in the board packet as item 10.2, attachment A. The staff report highlighted a significant post-balance sheet event involving CCCERA's investment losses of -10.5% in the calendar year 2022, resulting in a net underperformance of approximately 17.25%. This event has been disclosed in six different sections of the draft report, as outlined in the staff report under item 10.2. Additionally, projected future increases in CCCERA Pension rates due to the investment losses have been disclosed up to fiscal year 2027 as a percentage of payroll, as provided by CCCERA. ASD Sasser stated the report includes the estimated cost of a 1% increase in the CCCERA rate, calculated by Staff at \$115,000 to help provide context for the reader.

Fire Chief Winnacker provided additional information on the CCCERA disclosures, highlighting two key points. First, the audit was delayed this year due to factors beyond the District's control, which resulted in the progression of other matters. CCCERA disclosed estimated increases in pension costs, which are not typically included in the prior-year audit due to the availability of the information. These increases will be formalized once additional information is final and will be included in next year's audit.

Second, Fire Chief Winnacker mentioned that Staff had analyzed the implications of CCCERA's underperformance using the GovInvest software. It is important to differentiate between the District's unfunded pension liability and its near-term pension obligations, as they have distinct impacts. The

impact of a single year's loss on pension liability is relatively muted due to smoothing, with the full effect taking several years to materialize. Additionally, the hypothetical nature of the pension liability means it can fluctuate based on market returns. In contrast, the District's actual pension costs are known with certainty for the upcoming fiscal year, and there is a good estimate of future years up to 2027 based on the March letter from CCCERA. Fire Chief Winnacker stated that the disclosures stated in the audit report and budget inclusion of the increased costs, along with the effects of smoothing, provide a more accurate understanding of the impact on the District's finances. The aim has been to maintain transparency through the additional disclosures in the letter of transmission, the Management's Discussion and Analysis, and the body of the report. This information is appropriately included as a post-report event in the audit, and various analyses have been conducted to comprehensively assess the situation.

President Jex expressed appreciation for the information provided, acknowledging the challenge of determining the actual CCCERA numbers. The 2024 contribution has already increased 29% compared to previous years, amounting to over \$7.3M, as disclosed. This represents a long-term issue for the District, as CCCERA's billing is expected to be higher than \$7M in the coming years.

Mr. Tarek Radwan, Manager, Eide Bailly LLP, emphasized that investments are impacted by the general investment market, which is impacted everywhere in the economy. This impact extends beyond CCCERA to other entities such as CalPERS and nationwide pension pools. Economists have indicated the market will shift, similar to the fluctuations observed in 2021 and 2022. It is anticipated that once the consequences of the COVID pandemic subside in the coming years, the market will revert to its previous state. Consequently, the fluctuations will have implications for pension liabilities, documented in the required supplementary schedule on page 63. The inclusion of a ten-year historical overview allows readers of the financial statements to discern the ongoing movement of liabilities and gain insight into their historical context. Whenever there is a special event, like COVID, there is a drastic change in the investment market which is noticeable as a flux in the RSI schedule.

President Jex highlighted the issue of timing concerning CCCERA. He explained that the numbers being examined for the current year actually reflect a period three years ago, which was the issue regarding the post-balance sheet event stating that the numbers may be different and will continue to change. Mr. Radwan concurred that the information has changed, will change, and cannot be speculated. The information relies on the Actuary report and the reports provided by CCCERA. Mr. Radwan asked if the concern was the change in numbers between today and when the report would be issued. President Jex confirmed and acknowledged that (*normally*) the report would have been issued in December 2022. Mr. Radwan stated that the Auditors look at this information to see if it is material to the financial statements. It is an accounting estimate, and there is always a factor of a minor error in the accounting estimates. Before Eide Bailly issues the audit report, the Auditor will consider that change and look to see if it is significant to the financial statement.

Mr. Radwan provided an overview of the scope of the audit, emphasizing that its purpose is to ensure the financial statements are fairly stated in all material respects and compliant with generally accepted accounting standards. The Auditor reviewed and assessed internal controls related to major operational cycles such as cash receipts, cash disbursements, payroll, and purchasing. The Auditor confirmed significant balances in the financial statements, including cash and investments, and ensured adequate procedures were in place for accurate reporting of balances, receivables, capital assets, and payables. The Auditor also assisted in drafting the financial statements and footnotes in accordance with accounting standards. Upon concluding the audit, Eide Bailly will issue an Audit opinion. Mr. Radwan shared that Eide Bailly intends to issue a clean report, indicating that the District's financial statements are fairly presented and no significant deficiencies or material weaknesses were identified during the audit.

President Jex inquired about the anticipated date for the report. Mr. Radwan responded that the report would be dated next week. Director Danziger mentioned a minor revision, specifying a reference to the Menlo Park Fire Protection District on page 1 in the opinion and the third bullet on page 2.

Director Danziger asked whether the upcoming CCCERA payment would be included in the audit report. President Jex confirmed that the information would indeed be disclosed. Mr. Radwan clarified that while the payment would not be part of the financial statements, it would be disclosed as a subsequent event that occurred after the year-end. President Jex mentioned that the information came to the Board through a letter from CCCERA. Director Hasler sought clarification if the report would include the \$7M payment. President Jex responded that in addition to the payment, the report would also disclose the underperformance that led to the significant increase in the unfunded pension liability, which the District will become aware of later this year.

Mr. Radwan explained that the liability experienced a decrease in the fiscal year 2021 due to a significant investment boom of approximately 40% to 50%. However, the reverse occurred in 2022. President Jex reiterated that these numbers in the report are pre-COVID and emphasized that the market downturn following the pandemic would impact the figures. Director Danziger asked if Staff provided all necessary information and if everything was accurate during the audit. Mr. Radwan confirmed and expressed appreciation for the Staff's cooperation and assistance. Director Hasler inquired if any deficiencies were identified during the audit. Mr. Radwan responded that no material weaknesses or significant deficiencies were discovered. The Board thanked Mr. Radwan and the Eide Bailly firm for their service over the years.

President Jex opened the public comment. There were no requests to address the Board. President Jex opened the public comment on the Motion. There were no requests to address the Board.

Motion by Director Hasler and seconded by Director Roemer to accept the Draft Annual Comprehensive Financial Report as of the Fiscal Year Ended June 30, 2022. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None)

10.3 Proposed Annual Operating Budget FY2024 (audio 01:51:40)

Administrative Services Director Sasser presented a PowerPoint presentation, attached to these minutes, as item 10.3. The presentation marked the second step in the public budget process and provided another opportunity for additional public input and board direction. The budget is scheduled for adoption at the June 21, 2023, board meeting, with the latest adoption deadline being October 2023.

During the previous board budget workshop, the Board made two requests. The first request involved changes to the Board of Directors section, which was addressed separately as agenda item 10.7 at this meeting. The second request pertained to the inclusion of a balance sheet, which was provided as attachment B in the board packet, reflecting the financial status as of March 31, 2023.

The proposed budget outlined General Fund revenue amounting to \$34.9M, General Fund expenditures of \$32.4M, and a transfer of \$3M from the General Fund to the Capital Projects Fund for the Station 41/Administration construction project. This resulted in a General Fund budgeted deficit of \$460K. ASD Sasser noted that the benefits expenditures outlined in the proposed budget include the new CCCERA rates set for the fiscal year 2023-2024. These new rates reflect an increase of 10.45% compared to the previous rates.

ASD Sasser explained that certain expenditures are obligatory due to contractual, operational, or legal requirements, totaling \$28.5M, while other expenses are not mandatory, totaling \$6.9M, representing a continuation of effort. The proposed budget included an expansion of services in Fire Prevention, allocating \$500K for Home Hardening grants to residents. ASD Sasser displayed the authorized positions outlined in the draft budget, including funding for 57 safety roster positions, four chief officers, and 17 safety positions for daily staffing in fire stations. Compared to the previous year, the budget included one new Office Specialist position in Fire Prevention, costing \$132K.

Fire Chief Winnacker highlighted several goals included in the proposed budget, such as completing the replacement of Self-Contained Breathing Apparatus (SCBAs) and developing a Geographic Information System (GIS) program under Emergency Operations. Other goals encompassed various areas like Support Services, Emergency Medical Services, Apparatus, and Training, each with specific objectives to accomplish.

Director Danziger inquired about the availability of hybrid or electric fire engines. Fire Chief Winnacker confirmed their existence but mentioned that they are currently beyond the District's financial capabilities. He also noted that these vehicles have certain limitations, such as range and infrastructure requirements, and are still in the early stages of development as new technologies. While there may come a time when the District's equipment operates in that manner, fire engines need to be able to swiftly navigate the designated area and run for extended periods during pumping operations.

Director Hasler asked if the District planned to order the apparatus before or after the change in fuel standards. Fire Chief Winnacker answered before the change. President Jex asked when the order would be placed. Fire Chief Winnacker responded on July 1, 2023.

President Jex asked if purchasing the two apparatus was in the budget. Fire Chief Winnacker confirmed. President Jex asked how much was budgeted. Fire Chief Winnacker answered \$2M for two apparatus, a significant increase over prior years, and expressed concern about continuing inflation.

Director Hasler asked if there were other apparatus that required replacement. Fire Chief Winnacker shared that the District purchased apparatus in 2017. By acquiring two new frontline Type 1 apparatus, the fleet will be in good condition, and it is expected that there will not be a need for additional apparatus for a considerable period of time.

ASD Sasser continued the presentation and shared the Administration goals, emphasizing key objectives. These included expanding the Home Hardening grant program, completing labor negotiations, transitioning to new auditors, and continuing to diversify the investment portfolio. The draft budget also accounted for Capital Projects Fund expenditures totaling \$9.4 million, allocated towards projects including the Station 41/Administration Rebuild (Phase II), procurement of two new Type I fire engines, a station alerting system update, portable radios, and other essential items. Staff requested direction regarding the proposed budget, which will be brought back to the Board at the June meeting for adoption.

President Jex opened the public comment.

Jacob Airola, Fire Captain and Local 1230 Union Representative (attended in person), voiced concerns about the Home Hardening Grant Program and using District funds. He argued that it could be viewed as inappropriate use of taxpayer money and potentially unfair to taxpayers who are ineligible for the grants. Captain Airola requested clear guidelines for the use of funds if the Board determines to continue with the grant and highlighted the previous years' experience, where only \$25K of the \$500K was utilized. Currently, \$75K has been spent, with \$50K worth of materials remaining unused at Station 41. Captain Airola requested the Board reconsider the Grant Program to address the general fund deficit.

There were no further requests to address the Board.

Director Roemer acknowledged and shared Captain Airola's concerns about the Home Hardening Grant program. He believes that the \$500K grant is a positive initiative if it serves as an incentive to protect the tax base and the community. Director Roemer expressed hope that the entire \$500K would not need to be spent and mentioned from personal experience that homeowners may find cost-effective ways to implement home hardening measures. Director Roemer acknowledged the possibility that the entire \$500K might not be required but emphasized the aspirational goal of achieving \$500K worth of community engagement and work with a lower expenditure.

10.4 Consider the approval of the Request for Funding in the Amount of \$3,500 from Oakland Firesafe Council for a MOFD Contribution to the Legal and Facilitation costs to establish an East Bay Hills Wildfire Prevention MOU (audio 02:25:01)

Fire Chief Winnacker provided the report. At the December 2022 board meeting, a director reported receiving an email from the Oakland Firesafe Council requesting \$3,500 to support the formation of an East Bay Hills Wildfire Prevention and Vegetation Management group. The request was brought forward as agenda item 12.4 on the January 2023 regular agenda. On March 27, 2023, Lisa Jacobs and Jon Kaufman submitted a letter on behalf of the Oakland Firesafe Council, requesting a contribution from MOFD to cover legal and facilitation costs for establishing an East Bay Hills Wildfire Prevention Memorandum of Understanding (MOU). The correspondence included a list of jurisdictions and their requested contribution amounts.

- Alameda County \$7,500 (paid)
- Contra Costa County \$7,500 (paid)
- Berkeley \$4,000 (pending with City Manager)
- Oakland \$6,000 (pending City Council action)
- Richmond \$3,500 (in process)
- Pinole \$1,000 (paid)

At the April 2023 board meeting, a director requested an agenda item be brought forward for the Board's consideration of the Request for Funding in the Amount of \$3,500 from Oakland Firesafe Council for a MOFD contribution to the legal and facilitation costs to establish an East Bay Hills Wildfire Prevention MOU.

Fire Chief Winnacker informed the Board that throughout the process of the Oakland Firesafe Council's previous attempts to form a Joint Powers Authority (JPA) and current efforts to form a Memorandum of Understanding (MOU), District Counsel and Staff have been involved at the District's expense. Staff requested direction regarding the District Counsel and Staff involvement in these efforts in addition to the requested contribution.

Director Danziger asked if legal counsel has confirmed that there is no prohibition for the District to support the requested contribution. District Counsel Holtzman confirmed. Director Hasler asked about

the District's participation and whether it only involves providing financial support. Fire Chief Winnacker explained that there are two parts to the District's involvement. First, he and District Counsel have been participating in reviewing the proposed MOU through their roles with other councils. Second, as the Fire Chief, he has been participating on behalf of the District and the Contra Costa County Fire Chiefs Association to represent the interests of the adjacent areas within the fire district boundaries. The Oakland Firesafe Council has retained legal counsel to develop the MOU, and they are seeking funds to support that process, which includes the review by District Counsel. Director Jex asked about the potential benefits of the District's participation and if this model is the right approach. Fire Chief Winnacker mentioned that there is significant overlap and duplication with other fire safety efforts, such as the Hills Emergency Forum (HEF), of which the District has been a member since 2006. The District pays dues to HEF, and it involves many of the same participants. However, the group requesting the contribution is slightly more expansive in its scope. Staff expressed concern regarding the challenges presented by attending all these meetings and ensuring representation, as it requires considerable staff time and there is duplication with other groups.

Fire Chief Winnacker highlighted that this proposal's unique aspect is expanding to agencies that are not represented in the Hills Emergency Forum (HEF) membership to include additional groups and elected officials who can regularly discuss regional fire issues. The value and effectiveness of this approach will become clear over time.

Fire Chief Winnacker noted that while many agencies are concerned about wildfires and the implementation of fire safety ordinances on publicly owned lands, the political bodies have been silent during lengthy (and public) ongoing discussions of this topic with those agencies. There have been many opportunities for regional coordination and alignment at the leadership level. He highlighted that the regional coordination efforts executed at the staff level often need help from the elected bodies. Ultimately policy is a role of Elected Officials, and having a body of Elected Officials who can form consensus and advocate for regional benefits could strengthen the implementation of staff recommendations. Fire Chief Winnacker suggested if there is interest in supporting this effort, it would be appropriate to review whether the District should continue participating in the HEF or shift its focus to this new body with a broader scope limited to agencies with Fire Code Authority. He acknowledged the uncertainty surrounding the new organization (as it does not yet exist) but believed there could be a reasonable discussion about whether the District wanted to support this effort and pivot from the current membership.

Director Danziger expressed support for the funding request and considered it a small investment with the potential for significant returns through grants and coordinated activities. He noted that the requested payment is an initial one, which will only sustain the group until September. Director Danziger mentioned that other jurisdictions have already made their contributions and believed it is appropriate for the District to do the same. Fire Chief Winnacker clarified that the assertion made by the Oakland FireSafe Council that the District was the only District that had not paid in was incorrect when the records were reviewed. Director Danziger reiterated his support.

Fire Chief Winnacker provided clarification that the current iteration of the group does not have a mechanism to receive grants, as it is primarily a gathering of Elected Officials to discuss wildfire issues. President Jex inquired about the level of elected officials that would be involved. Fire Chief Winnacker answered the level would include City Councils, County Board of Supervisors, and Fire Board Directors. Director Roemer favored supporting the funding request. Director Hasler agreed. President Jex agreed.

President Jex opened the public comment. There were no requests to address the Board. President Jex opened the public comment on the Motion. There were no requests to address the Board.

Director Danziger asked if the Board needed to specify the source of the funds for the contribution. ASD Sasser responded that the funds would come from the General Fund.

Motion by Director Danziger and seconded by Director Roemer to approve the request for funding in the amount of \$3,500 from Oakland Firesafe Council for a MOFD Contribution to the Legal and Facilitation costs to establish an East Bay Hills Wildfire Prevention MOU. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None)

10.5 Fund Balance Policy and General Fund Minimum Fund Balance Policy (audio 02:27:49)

Administrative Services Director Sasser provided the report. At the April board meeting, a director requested a future agenda item to review the District's fund balance policy and discuss the minimum requirements for the General Fund. The current policy, which was approved by the Board in July 2022,

is included as Attachment A to Item 10.5 in the agenda packet. The policy states that the District will maintain a Minimum Fund Balance of unrestricted fund balance in the General Fund of at least 17% of budgeted General Fund revenue at fiscal year-end with a goal of achieving a 50% year-end General Fund balance in the long term. Staff requested direction from the Board regarding the policy and its minimum requirements.

President Jex stated that he was the director who requested to review the District's fund balance policy. He commented on the current policy, noting that the 17% minimum requirement was likely set during layoffs and personnel cuts. He explained that the 17% amount in dollars is only enough to cover two months. President Jex compared the District's policy to other districts, such as San Ramon, with higher reserve requirements, including a dry period reserve and a stabilization reserve for emergencies. He pointed out that the District's Long-Range Financial Forecast shows that the reserves never dropped below 40% and recommended setting the minimum reserve requirement at 40% with a goal to maintain it above 50%. President Jex expressed concern about the adequacy of the current 17% reserve and stated that it would be troublesome if the District had to rely on borrowing through the Teeter plan to cover expenses because of inadequate reserves.

Director Hasler asked President Jex if the District has ever fallen to 17% since his time serving on the Board. President Jex responded that when he joined the Board six years ago, the reserve was low, probably around 20-30%, but it has grown since then.

Director Roemer inquired if the policy was mandatory or a general policy. President Jex answered it is a stated policy that guides budgeting decisions. Director Roemer asked if there was any impact on the investments in treasury bills. Fire Chief Winnacker explained that there would be no impact and that the investments would generate additional revenue. District Counsel Holtzman added that investing in treasury bills is a different way of holding the money. President Jex emphasized that the policy ensures sufficient funds for the first six months without any revenue. Director Roemer acknowledged the clarification and wanted to ensure that the policy would not require selling the treasury bills before they mature. Director Roemer asked if there were any downsides to implementing the policy.

Director Danziger mentioned that implementing the policy would require allocating more funds to the Reserve Fund. Director Roemer asked where the funds would come from, and Fire Chief Winnacker explained that they would come from the District's discretionary funds included in the current draft budget. The policy has set a minimum of 17% and a non-binding goal of 50% since 2018. Changing the policy to a higher number would impact the budget, particularly the discretionary funding, and limit recommended expenditures. President Jex added that if the budget fell below the set percentage, it would influence decision-making for the discretionary budget. Director Roemer sought clarification on how the proposed change would affect the proposed budget. ASD Sasser noted that the projected general fund balance in the draft budget is currently 44%. If the Board chooses to raise the minimum to 40%, and if the budget falls below the minimum, the Board would need to consider reducing discretionary expenditures to maintain the 40% minimum. However, the policy is non-binding and subject to the Board's decision.

Director Hasler pointed out that since the proposed budget is not expected to fall below the recommended minimum percentage, raising the minimum reserve requirement would have no impact on the proposed budget. ASD Sasser confirmed. Director Hasler expressed that he saw no downside to increasing the reserve requirement and considered it a financially prudent decision. President Jex provided an example of the Town of Moraga, which experienced a bridge collapse and subsequent rainy-day incidents several years ago. As a result, their general fund reserve dropped below 50%, leading them to declare a financial emergency.

Director Roemer stated he was convinced to support the change since the accounting experts on the Board, as well as Director Danziger, were in favor of changing the percentage. Director Danziger clarified that he did not express support for the proposal at this time, explained that he had not heard of a specific proposal, and noted that the policy is scheduled for review in July. Director Danziger expressed that he is not prepared to make any decisions or provide direction regarding a change in the policy at the moment, emphasizing that the Board will discuss it in July as part of the annual review process.

Fire Chief Winnacker clarified that the item under discussion is for informational purposes only, and Staff is seeking direction from the Board. The purpose is to ensure that the Board's directions are incorporated as best as possible when the policy is brought back in July for the annual review. He emphasized that while the Board has the authority to modify or maintain the policy, the aim is to gather the Board's input to align the July report with the Board's intentions.

Director Roemer expressed support for considering the change from 17% to 40%. Director Hasler inquired about conducting an analysis to assess the impact of such a change on the District. Fire Chief Winnacker clarified that the analysis of the budget and reserves position is already conducted and included in various reports. He further explained that the Board would have a policy discussion in July specifically focused on the Reserve General Fund minimum fund balance policy. Director Hasler asked if the policy is reviewed on an annual basis. Fire Chief Winnacker confirmed.

President Jex opened the public comment.

Daniel Elbanna, Fire Captain and Local 1230 Union Representative (attended by Zoom) stated that during a past presentation by Highmark Capital Management, it was mentioned that the Pension Rate Stabilization Fund could be used to reimburse the General Fund for pension costs, not just for overages. Captain Elbanna asked if the District has considered utilizing the Pension Rate Stabilization Fund to cover annual pension costs to maintain the desired minimum balance. Captain Elbanna pointed out that the General Fund and the Pension Rate Stabilization Fund are interconnected since pension costs are paid out of the General Fund. He suggested considering linking the two accounts when calculating the percentage goal.

There were no requests to address the Board.

A member of the public requested a response from the Board to Captain Elbanna's question. Director Hasler responded that the Pension Rate Stabilization Fund is the next item on the agenda, and the Board could address the question in conjunction with that item.

10.6 Development of a Pension Funding Policy (audio 02:54:47)

Administrative Services Director Sasser provided the report. At the April 19, 2023, Board meeting, a director requested an agenda item to discuss the development of a Pension Funding Policy that includes the District's Pension Rate Stabilization Trust Fund. The Board approved the establishment of the Pension Rate Stabilization Trust Fund in 2017. GovInvest provided sample policies from other public agencies and excerpts for the Board to consider when developing the policy. These materials are included as attachments C through F in the staff report. Attachment B contains the best practices published by the Government Finance Officers Association, which outline the core elements of a pension funding policy. An actuary from GovInvest is scheduled to attend the July board meeting to assist with the development of the policy. ASD Sasser explained that the staff report aims to provide educational materials for the Board members and encourages discussion and any additional questions. The actuary will provide further information in July as needed. Staff requested direction from the Board regarding the development of the pension funding policy.

Director Hasler understood that there was a policy that determined how the District calculated the amount that goes into the stabilization fund, but not a policy that determines when or how the District uses the fund. Fire Chief Winnacker confirmed. Director Jex explained that the Pension Stabilization Fund was established in 2017 to cover the gap in the District's unfunded pension liability, which was around \$60-\$70M at the time. The fund was created to ensure that funding would be available to fulfill the pension obligations to employees in case of any financial difficulties or emergencies within the District. The intent was not to treat the fund as a slush fund or a backup for general expenses but rather as a means to secure employee pension benefits in case of unforeseen circumstances like bankruptcy or benefit cuts by other entities. The current amount in the fund is insufficient to cover a year's pension payment. The goal was for the fund to grow over time, potentially allowing for reductions if the pension system's performance improves.

Director Jex emphasized the importance of adequately funding pension obligations and fulfilling commitments made to employees. The hope is that if CCCERA becomes fully funded, the pension stabilization fund could be redirected back into the general fund. Director Hasler asked if Director Jex would consider a broad policy if fully funded, and the contributions would not need to be made. President Jex responded that if CCCERA ever became fully funded, the District would no longer require the fund.

ASD Sasser mentioned that the attachments include three sample policies (Attachments D, E, and F), and the policies address different scenarios. ASD Sasser then asked if there is a specific sample policy that the Board members would like to use as a starting point for developing a policy. Director Hasler requested more time to review the policies and inquired about when the item would be brought back to the Board for discussion. Fire Chief Winnacker explained that the expert would be attending the July board meeting and clarified that the staff report was intended to provide the Board with information and facilitate discussion and direction if desired by the Board. The purpose is to eventually develop a policy that aligns with the original intent behind the establishment of the funds. In the absence of a policy, there is ambiguity regarding the specific circumstances that would constitute the District's inability to pay.

Different individuals may have varying opinions on this matter, and enshrining it in a policy would help reduce future concerns and provide clarity.

District Counsel Holtzman discussed there are various options and policies, which are referred to by different names. In the case of MOFD, the fund is called the stabilization plan, which is a common term. It can also be seen as a hedge fund structurally. This year, jurisdictions are considering what should be included in such a policy. The challenge with establishing a policy is that it depends on the current circumstances and market conditions. If there is a perception that the market is highly volatile and expected to decline rapidly, an argument could be made for a stabilization approach.

Fire Chief Winnacker explained that the District has a historical record of the percentage of pensionable payroll paid to CCCERA. The percentages have varied over the years due to smoothing and delays in the pension system. During 2014-2015, there was a significant increase to 80% due to low cash reserves. Despite the positive economic performance, the smoothing effect contributed to this increase. The percentage remained around 70% during the longest bull market until this year, currently at 70.35%. However, future estimates predict a rise to as high as 99% in 2028-2029, assuming a 6.75% return on investments by CCCERA. Historical trends indicate that rates tend to rise and stay high, with underperformances leading to future increases. CCCERA's return rate assumption changing from 7% to 6.75% affected fund distribution, with a quarter of the money going to CCCERA instead of the Pension Stabilization Trust Fund. This adjustment has reduced the ARC and potentially increased future liabilities due to expected lower rates of return.

President Jex discussed the potential rise in pension liabilities. If the market remains volatile, the pension liability could increase. President Jex emphasized the importance of addressing a potential unfunded pension liability of \$100M and providing sufficient resources to cover the shortfall.

Fire Chief Winnacker commented that the unfunded liability is an abstract number. When markets change, there is a significant delay in when those changes are fully accounted. Fire Chief Winnacker highlighted the abstract nature of the unfunded liability. The 10.45% increase in the pension obligation from the current year translates to a pension obligation of \$1,045,000 for the following year. District Counsel Holtzman expressed that having a policy is highly sensible and acknowledged the challenges associated with determining its specifics. Mr. Holtzman offered the following questions for developing a policy.

- Are we putting in the right amounts? Do we have accurate numbers?
- Is this the same strategy?
- Is the decreasing number (unfunded liability) due to lower assumed returns?
- Should we exercise more caution?
- At what point would the Board consider using the fund?

Mr. Holtzman reflected on the longevity and the diversity of the policies that are available. Director Danziger suggested that the Board review and discuss the information further during the next meeting. Director Hasler agreed. President Jex asked if the expert coming in July was an Actuary. ASD Sasser confirmed.

President Jex opened the public comment.

Daniel Elbanna, Local 1230 Union Representative (attended by Zoom), understood that the Board was not prepared to answer his previous questions, commented on the importance of considering the investment strategy when creating the policy, and asked where the investments would be made and whether they would be similar to CCCERA's approach. Captain Elbanna suggested that there should be guidance in the policy regarding investment strategy. President Jex explained there is a current policy in place that governs the investment strategy of funds.

There were no additional requests to address the Board.

10.7 Revisions to the Board of Directors Purpose and Standard of Level of Performance Included in Annual Operating Budget (audio 03:22:50)

Fire Chief Winnacker provided the report. During the Public Budget Workshop held on April 19, 2023, a Director expressed the desire to present suggested modifications regarding the Board of Directors page in the draft budget. The draft version of the budget discussed during the workshop is provided as Attachment A, while the proposed changes put forth by Director Danziger for deliberation are included as Attachment B. Director Danziger submitted the proposed changes and expressed that the information has remained unchanged since his time on the Board. His goal was to update and provide more precise language regarding the Board's responsibilities and goals. The proposed changes were considered to

be minor and not significantly altering the existing content. All Directors were in support of the submitted changes and had them incorporated into the proposed budget.

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

11. COMMITTEE REPORTS (audio 03:25:30)

11.1 Standing Audit Committee (Directors Jex & Hasler).

President Jex reported that the Audit Committee is scheduled to meet. ASD Sasser confirmed Friday, May 19, at 4:30 p.m. Fire Chief Winnacker stated three auditors have responded to the second round of the RFP and will be presenting their proposals. Each firm has been allocated 30 minutes to present and answer any relevant questions from the Committee. The Audit Committee is to return to the full Board with a recommendation. Director Danziger inquired about the possibility of Board members attending the Audit Committee meeting. District Counsel Holtzman advised against non-committee Board members attending the meeting, citing regulations under the Brown Act.

11.2 Ad Hoc Committee Develop Plans for Expanding the Fire Prevention Program (Directors Hasler & Jorgens). No Report.

11.3 Ad Hoc Facilities Station 41 (Directors Danziger & Jex). No Report.

11.4 Ad Hoc Committee Joint Fire Prevention w/City of Orinda (Directors Jorgens & Roemer).

Director Roemer summarized the meeting and highlighted the main topic of discussion was the Moraga-Orinda Firesafe Council. Several questions were raised regarding the obligations and implications of this council, but no final decision was reached. It was agreed that further reports on the matter are anticipated. Director Roemer expressed the belief that the idea of the Firesafe Council is generally beneficial and worth the resources of both the District and the City Council. Fire Chief Winnacker informed the group is in process of obtaining their 501(c)(3) status.

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

12. ANNOUNCEMENTS (audio 03:33:51)

12.1 Future Agenda Items

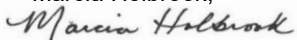
Director Danziger requested a report on the statistics (sign-ups) for the Community Warning System and an update on the Home Hardening Grant program under the Fire Marshal's report. Director Danziger also proposed a discussion on listing property owners who have received citations, with a request to include the property addresses for the \$500 citations in the monthly Fire Marshal report. President Jex raised a concern about the publication of names and addresses, questioning whether the District is allowed to disclose that information. District Counsel Holtzman responded that it was a policy decision. Director Danziger requested that the item be included on the next agenda for further discussion. All directors agreed.

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

13. ADJOURNMENT

At 10:06 p.m., Director Roemer motioned and seconded by Director Hasler to adjourn the meeting. Said Motion carried a 4-0-1-0 roll call vote (Ayes: Danziger, Hasler, Roemer, and Jex; Noes: None; Absent: Jorgens; Abstain: None)

Marcia Holbrook,



District Secretary/District Clerk



Moraga-Orinda Fire District
Board of Directors

Finance Report
May 17, 2023

Strike Team Reimbursement - OES

• Strike Team Receivable Update:

	Estimated <u>2022-2023</u>
OES Strike Team Receivable	\$1,095,021
OES Payments Received	<u>\$1,006,319</u>
Net Receivable Outstanding	\$ 88,702

- The remaining outstanding receivable is for the flood preposition assignment in January/March. Invoices received for January assignments.

Other Items

- County Investment: The District invested an additional \$5.0 million from LAIF in a 3 month treasury bill on 4/25/23 with a yield of 5.034% (Maturity 7/25/23). This is in addition to the \$3 million treasury bill purchased on 3/27/23 (3 month, yield of 4.727%, Maturity 6/22/23).


Moraga-Orinda Fire District
Board of Directors



Prescribed Fire Update

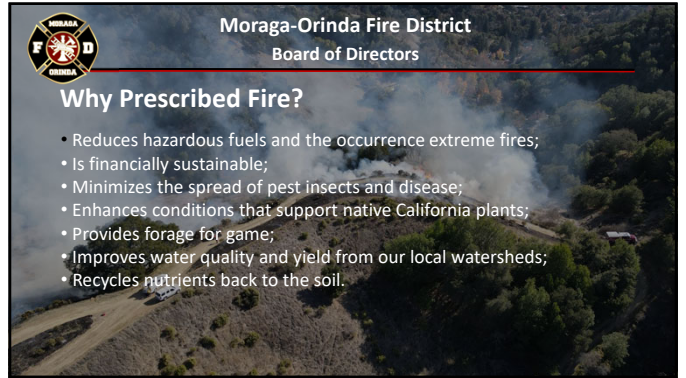


Moraga-Orinda Fire District
Board of Directors



Why Prescribed Fire?

- Reduces hazardous fuels and the occurrence extreme fires;
- Is financially sustainable;
- Minimizes the spread of pest insects and disease;
- Enhances conditions that support native California plants;
- Provides forage for game;
- Improves water quality and yield from our local watersheds;
- Recycles nutrients back to the soil.




Moraga-Orinda Fire District
Board of Directors




How Does MOFD Use Rx Fire?

- Pile Burning
 - Mostly in the “wet months”
 - Reduces the need for (expensive) control lines
 - Air quality issues are usually less impact on the project




Moraga-Orinda Fire District
Board of Directors




How Does MOFD Use Rx Fire?

- Broadcast or Understory Burning
 - Treating larger areas
 - Native grassland restoration
 - Maintaining shaded fuel break areas



Moraga-Orinda Fire District
Board of Directors


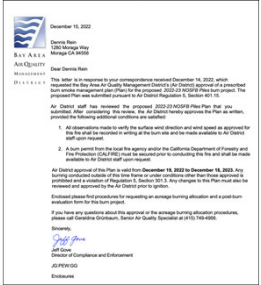


The Rx Fire Planning Process

- Working with the land owner/manager;
- Working with the Bay Area Air Quality Management District;
 - Smoke Management Plan
- Working with Cooperating Agencies and Resources;
 - CAL Fire- for SRA;
 - Comprehensive Rx Fire Plan for approval of LE7
 - Day-of-Burn Resources
 - Engines, Contra Costa County Crew 12 (prep, holding and firing)
 - MOFD Communications-Support Team (logistics, information)
 - BAAQMD- burn day?
 - National Weather Service- Spot Wx Forecast

Wagner Ranch Nature Area Rx Fire Operations
February 13, 2023

- MOFD submitted a Smoke Management Plan to the Bay Area Air Quality Management District on December 14, 2022.
- The plan was reviewed, approved and returned to the Fire District on December 15, 2022.
- The objectives of the Rx Fire project were:
 - Maintain the North Orinda Shaded Fuel Break by:
 - a. Reducing regrown vegetation along local evacuation routes and in open space areas.
 - b. Reducing invasive plant species in the area and encouraging native grasses and low growing brush to support a diverse age-class of fire resistant plants.
 - c. Enhance conditions for native vegetation in school district-owned nature study area, local roadway right of way and open space.

Wagner Ranch Nature Area Rx Fire Operations

February 13, 2023

- Notification procedures included in the SMP-
 - Public information regarding the project will be distributed via: - City and Town personnel via phone to the appropriate Police Department- Moraga Police Department, and Orinda Police Department Phone
 - Local residents adjacent to the burn site will be contacted via Nextdoor post.
 - MOFD will post information about the prescribed fires on its website and social media outlets.
 - The local Police Departments may use a Nixle Alert to notify larger segments of the community of the prescribed fire operations.
 - Signs will be posted on adjacent roadways warning drivers of fire apparatus and the potential for smoke in the area.
 - General - Nixle post via Local PD and the Orinda City Managers News Letter - Orinda Union School District, Moraga School District - Contra Costa County Regional Fire Communications Center - East Bay Regional Park District Communications Center - CAL FIRE-SCU ECC Phone- MOFD Social Media Facebook, Twitter, Nextdoor.



Moraga-Orinda Fire District Board of Directors

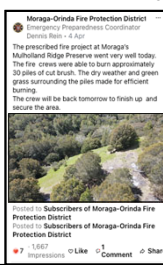
How Do We Implement a Project?

- Is the project in Prescription?
 - Fuel moisture in range?
 - Will it burn? Qr will it burn too hot?
 - Weather Rx?
 - Temp, Relative Humidity, Wind Speed, Wind Direction, Smoke Mixing Height.
- Are there adequate resources available to staff the project?
- Is there Cooperating Agency Support?
 - Cal Fire for projects in the SRA
 - Air Quality Concerns
 - Local partners

Moraga-Orinda Fire District Board of Directors

How Do We Implement a Project?

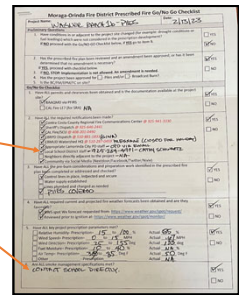
- Public Information



The Go-No Go Checklist

The MOFD Go-No Go Checklist is completed for all Rx Fire projects prior to ignition

- A message was left at the OUSD main office
- The Burn Boss contact the Wagner Ranch School office staff in person twice during the burn



Moraga-Orinda Fire District Board of Directors

Time to Burn?

SAFETY MESSAGE/PLAN (SIS) USE

Reading on other, common devices. Be careful of rolling material. Please remain in burning area or upwind until the fire dies. Avoid road until you are sure of all of debris and avoid you. Minimize time in the hot zone.

Monitor situational awareness. Look up, Look down, Look around

Stop equipment! Run down road close to ditch

People involved in what is going on around you? LEAVE

KEEP CLEAR OF ALL TRUCKS, TRAILERS, OPERATIONS. MAKE SURE THE TRUCK OPERATOR IS AWARE OF APPROX. YOU AT FEET BY APPROACH

STAY OUT OF THE ROAD. ALL ROAD ARE OPEN TO ALL NORMAL TRAFFIC

MEDICAL PLAN (SIS) USE

Medical Name: [Blank]

Medical History: [Blank]

Emergency Contact: [Blank]

Medical Conditions: [Blank]

Medical Equipment: [Blank]


Medical Notes: [Blank]

Moraga-Orinda Fire District Board of Directors

Operational Briefing





- Firing, holding & mop-up plans
- Fire weather forecast
- Anticipated fire behavior
- Communications plan
- Safety message
- Logistics plans
- Medical plan
- Resource message
- Public information
- Agency administrator(s)



 **Moraga-Orinda Fire District**
Board of Directors

During the Burn

- Are there any smoke impacts?
- More public information!



 **Moraga-Orinda Fire District**
Board of Directors

Other tools we use:

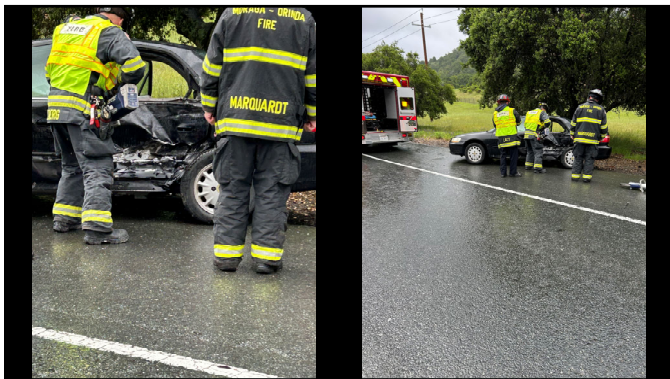
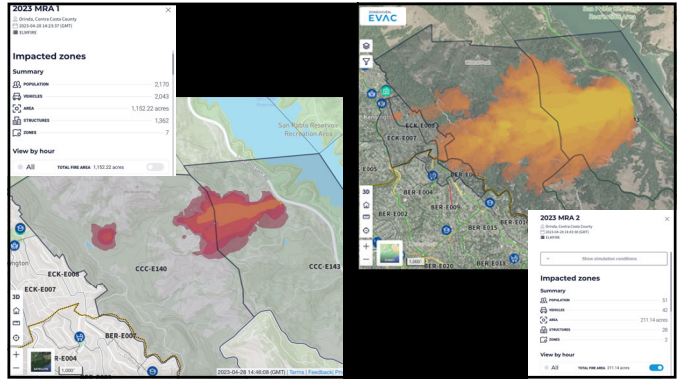
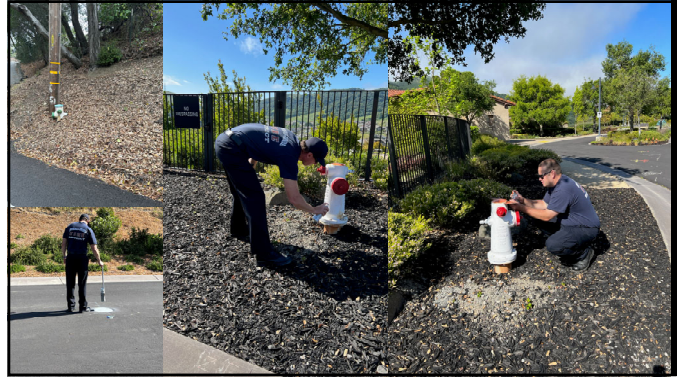
- Alert CA Cameras
- EBAM
- RAWS
- UAS Support
- Terra Torch



 **What does it look like when we are done?**



MOFD Board Update May 17, 2023



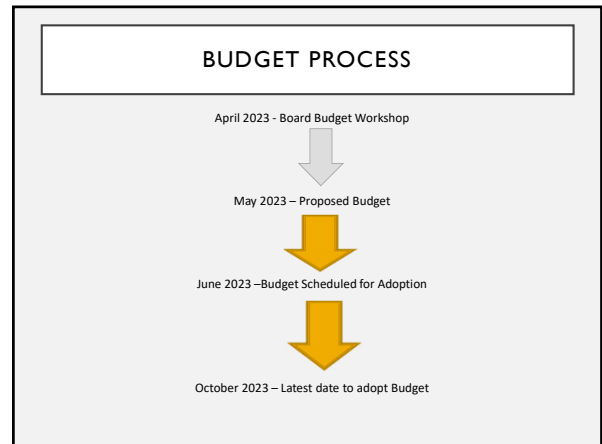


**MORAGA ORINDA FIRE DISTRICT
2024 ANNUAL OPERATING BUDGET
PROPOSED**




**Board of Directors Meeting
May 17, 2023**

DRAFT
Fiscal Year 2024
**ANNUAL
OPERATING BUDGET**
Moraga-Orinda Fire Protection District



**BOARD DIRECTION DURING
BUDGET WORKSHOP**

MORAGA-ORINDA FIRE DISTRICT

DRAFT

Annual Operating Budget
Fiscal Year 2024

**PUBLIC BOARD
BUDGET WORKSHOP**

- Change Board of Directors section: separate agenda item
- Provide balance sheet: attachment B as of March 31, 2023

**GENERAL FUND BUDGET OVERVIEW
DEFICIT \$459,638**

General Fund Revenue	\$34.9M
Salaries and Benefits Expenditures	28.1
Operating Expenditures	4.3
Transfer Out to Capital Projects Fund	3.0
Expenditures in Excess of Revenue	\$0.5M

**PROPOSED BUDGET 2024
NON-DISCRETIONARY
EXPENDITURES**

Salaries and benefits - Suppression staff	\$21,390,608
Salaries and benefits - Administration staff	1,872,930
Worker's compensation insurance	1,186,538
Retiree health insurance	888,550
Unemployment insurance	5,000
Operating Expenses	3,142,532
Total non-discretionary	\$28,486,158

**PROPOSED BUDGET 2024
DISCRETIONARY/CONTINUATION OF EFFORT**

Transfer to Capital Projects Fund	\$3,000,000
Pension rate stabilization trust contribution	1,569,279
OPEB trust contribution	543,000
Home hardening grants	500,000
Salaries and benefits - Fuels Mitigation staff	435,000
Emergency Preparedness/CERT	287,937
Additional Office Specialist in Fire Prevention	132,000
Fuels mitigation operating expenses	110,000
Fire chief contingency	100,000
GIS mapping	85,500
Standards of cover	75,000
Discretionary training	25,000
Exercise equipment	16,500
Drones and supplies	11,400
Electronic document conversion	10,000
Total discretionary	\$6,900,616

**PROPOSED BUDGET 2024
EXPANSION OF SERVICE**

Home hardening grants Metal gutter guards & ember resistant vents	\$500,000
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**PROPOSED BUDGET FY2024
AUTHORIZED POSITIONS**

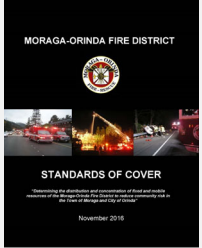
Board	5.00
Finance	3.10
Human Resources	2.25
Information Technology	0.25
Suppression Staffing	61.00
Fire Prevention	3.00
Fuels Mitigation	6.00
Tunnel East Bay Hills Fuel Break	2.00
Emergency Preparedness	<u>0.50</u>
Total	<u>83.1</u>


- GENERAL FUND GOALS**

 - **Emergency Operations**
 - Complete replacement of SCBAs
 - Continue to develop GIS program
 - **Support Services**
 - Begin the Station 41/Administration Rebuild Project
 - Update and replace station alerting system
 - **Emergency Medical Services**
 - Update Infectious Control Plan
 - Increase in-house EMS training
 - **Apparatus**
 - Order two new Type I fire engines
 - **Training**
 - Develop plans for training center at Station 41

- GENERAL FUND GOALS**

 - **Board of Directors**
 - Adopt new Standards of Cover report
 - **Fire Prevention**
 - Administer and expand home hardening grant program
 - Continue community chipping services
 - Update citation authority and process
 - Develop technology based systems to increase efficiency of assessments
 - **Administration**
 - Complete labor negotiations and implement new MOUs
 - Complete the transition to new auditors
 - Further diversify the District's investment portfolio
 - Administer financial elements of all grants including the Tunnel East Bay Hills Fuel Break Grant





**PROPOSED
EXPENDITURES
CAPITAL PROJECTS FUND**

Station 41/Administration Rebuild - Phase II	\$5,800,000
Fire Engine Type I (quantity 2)	2,200,000
Self Contained Breathing Apparatus (partial grant)	620,780
Station Alerting System	500,000
Portable Radios	250,000
Station 44 Exterior Lights	10,000
Total	\$9,380,780

BOARD DIRECTION REQUESTED



- Any additional direction regarding the proposed budget