

Moraga-Orinda Fire Protection District



BOARD OF DIRECTORS SPECIAL BOARD MEETING MINUTES

May 2, 2018

(Approved May 16, 2018)

1. **Opening Ceremonies**

The Board of Directors convened in Open Session at 5:00 P.M. on May 2, 2018 at the Hacienda Mosaic Room, 2100 Donald Drive, Moraga, California. Director Anderson was absent. President Barber called the meeting to order. Present were the following Directors and Staff:

President Barber	Director Jex (teleconference)	Gloriann Sasser, Admin Services Director
Director Famulener	Dave Winnacker, Fire Chief	Christine Russell, HR Benefits Manager
Director Jorgens	Linda Ross, District Counsel	Grace Santos, District Clerk

District Counsel Jeff Sloan arrived at 5:36 P.M.

2. **Public Comment**

There was no comment from the public.

3. **Closed Session**

At 5:00 P.M., the Board adjourned into Closed Session.

4. **Reconvene the Meeting**

President Barber reconvened the regular business meeting of the Moraga-Orinda Fire District Board of Directors at 7:06 p.m. Present were the following Directors and Staff:

President Barber	Sean Perkins, Battalion Chief
Director Famulener	Jerry Lee, Battalion Chief
Director Jorgens	Daryle Balao, Acting Battalion Chief
Director Jex (teleconference)	Kathy Leonard, Fire Marshal
Dave Winnacker, Fire Chief	Dennis Rein, Emergency Preparedness Coordinator
Gloriann Sasser, Admin Services Director	Christine Russell, HR Benefits Manager
Linda Ross, District Counsel	Grace Santos, District Clerk

5. **Report of Closed Session Action**

President Barber reported that there was no reportable action taken on items: 3.1 Conference with Labor Negotiator (Local 1230); 3.2 Conference with Labor Negotiator (Local 2700); 3.3 Conference with Labor Negotiator (Employee Organization: Moraga-Orinda Fire Chief Officers Association); 3.4 Conference with Labor Negotiator – Unrepresented Employee; and 3.5 Public Employee Performance Evaluation (Fire Chief).

6. **Public Comment**

There was no comment from the public.

7. **Regular Agenda**

7.1 **Public Budget Workshop**

Over the past several months the proposed Annual Operating Budget for Fiscal Year 2018/19 (Budget) was being developed. Staff developed proposed goals, projections and budget proposals based on the Strategic Plan and Business Plan. The proposed Budget was presented to the Board in a public workshop to obtain direction and public input. The next steps are the revised proposed Budget will be presented to the Board for additional board direction and public input on May 16, 2018. The proposed Budget is scheduled for adoption on June 20, 2018.

The proposed budget was presented for detailed review, discussion and input from the Board and members of the public. The proposed budget will be brought back to the Board for additional discussion and input at the next meeting and is scheduled for adoption at the second meeting in June. The California Government Code requires the Board to adopt a budget by October 1st.

ASD Sasser gave a PowerPoint presentation on the proposed budget. The budget projects a total district-wide surplus of \$177,000 for next year. The General fund is projected to have a surplus of \$171,000. The Debt Service fund, which is legally restricted for the Pension Obligation Bonds, is projected to have a surplus of \$241,000. The Capital Projects fund will have a deficit of about \$236,000.

Director Famulener disagreed with contributing an additional \$1.1M contribution to the pension rate stabilization fund. Union negotiations just began and she feels that the money must be available for good faith negotiations.

Director Famulener read a letter from former Director, and Moraga resident, Richard Olsen. Mr. Olsen voiced his concern that the MOFD's draft budget for Fiscal Year 2018-19 does not include what he considers to be a fair and reasonable increase in the wages to be paid to the MOFD's firefighters. Firefighter morale would undoubtedly be adversely affected with significant, negative impacts on the collective pride and esprit that is normally a part of being associated with the MOFD, as well as on individual motivation and initiative. There would also be a predictable increase in employee turnover with a resultant loss of staff experience and of the district's significant financial investments in the departing firefighters. That path is definitely avoidable if both sides to the current negotiations are willing to negotiate in good faith and compromise. That compromise would necessarily require some budgetary flexibility on the MOFD Board's part. Mr. Olsen submitted written comments (Attachment A).

ASD Sasser continued the budget presentation with information on the Board of Directors, Finance & Administration, Human Resources and Information Technology. She highlighted the second goal of the Human Resources Division's budget. There is \$15,000 included to complete an outside organizational assessment of administration in order to implement improvements in the administration. An outside expert will be hired.

Fire Marshal Kathy Leonard gave a presentation on the Fire Prevention budget. The budget shows an increase due to the Fuels Mitigation pilot program expenses, electronic methods for plan reviews and the permitting process, and a work analysis to review deficiencies and staffing needs due to the boom in building within the District.

Emergency Preparedness Coordinator Dennis Rein gave a presentation on the Emergency Preparedness Program budget. The net proposed budget this year is about \$1000 less than last year.

Battalion Chief Jerry Lee gave a presentation on the Emergency Medical Services and Support Services proposed budgets. President Barber asked why the budget for Station 45 is larger than the others. BC Lee explained that Station 45 is a larger station and costs more to heat and power.

Battalion Chief Sean Perkins gave a presentation on the Emergency Operations, Communications, and Apparatus budgets.

Acting Battalion Chief Daryle Balao gave a presentation on the Training budget.

Director Jorgens inquired about the thermal imaging camera. Chief Perkins explained that it is a tool that aids in searching and detecting heat signatures inside buildings or outdoors. This is to replace existing obsolete equipment.

Director Famulener asked the Board to remain flexible for current union negotiations, negotiate in good faith, and not contribute an additional \$1M in the trust fund.

President Barber thanked Chief Winnacker and ASD Sasser for the presentation. He announced that he would not be at the next meeting but expects to return by the time the Board is to take final action on the proposed budget.

Mark DeWeese, MOFD Firefighter, stated that each year the District pays the annual required contribution towards our pensions. The pension stabilization fund is money that is above and beyond what is required. When it was initiated, the District had a plan of putting in \$250,000 to \$300,000 in each year. FF DeWeese asked why the Board would want to put four and then 8 times as much money into an aggressive stock portfolio that is an irrevocable trust at this time. He asked if there is

a more coincidental timing issue of why the Board wants to take so much money out of the reserves at this time.

President Barber stated that those issues are on his mind, and on the mind of other directors. Both the aggregate amount, the asset allocation, and the use of the funds are difficult decisions that he hopes the Board can weigh out carefully. Labor negotiations in good faith is a process that needs to continue and go on by itself. The budget is a separate matter. They can relate to each other, and they can affect one another as can other things that happen outside what we foresee in the budget.

Director Jorgens thanked staff for their work on the budget. Last year was a long and painful process with all the cuts that were made. Everyone did a good job of sticking to the cuts. Many cuts have been rolled forward into this year's budget and some were refunded. He thanked staff for being careful with the District's money, which he states would leave more money to do other things with.

8. Adjournment

At 7:45 P.M., President Barber called for adjournment of the regular meeting.



Grace Santos, District Secretary/Clerk