

Moraga Orinda Fire District

2020 Mid Year Budget Review



MORAGA-ORINDA FIRE DISTRICT

**Annual Operating Budget
Fiscal Year 2020**

Board of Directors
February 19, 2020

Overview

- Adopted Budget FY 2020
- Budget assumptions – June 2019
- Mid-year projections – February 2020
- Recommended budget adjustments

Annual Operating Budget 2020

General Fund Surplus

General Fund Revenue	\$25,121,730
General Fund Expenditures	(24,249,786)
Surplus	<u>\$871,944</u>

Mid-Year General Fund Revenue Projections

February 2020

- Projected total revenue: Less than budget \$1.4M
- Fire flow tax moved to Capital Projects Fund (\$1.1M)
- Property taxes
 - Exceed budget \$333K
 - Increase from prior year \$946K or 4.5%
- Ambulance services: Less than budget \$258K
- Strike team: Less than budget \$407K

Mid-Year General Fund Expenditure Projections

February 2020

- Projected total expenditures: Less than budget \$2.3M
- Fire flow tax transfer out \$1.1M

Mid-Year General Fund Expenditure Projections

February 2020

- Salaries and Benefits: Less than budget \$1.4M
 - Permanent salaries (\$608K)
 - Overtime (\$356K)
 - Strike team overtime (\$265K)
 - Retirement contributions (\$73K)
 - OPEB funding \$559K (pending board direction)
 - Pension rate stabilization trust fund \$1.024M (pending board direction)

Mid-Year General Fund Expenditure Projections

February 2020

- Operating expenditures: Exceed budget \$119K

Recommended Budget Adjustment – General Fund

- Revenue - decrease \$1,385,088
- Expenditures – decrease \$2,257,032

Projected General Fund Surplus Fiscal Year 2020

General Fund Revenue	\$25,121,730
General Fund Expenditures	<u>24,249,786</u>
Projected Surplus	<u><u>\$871,944</u></u>

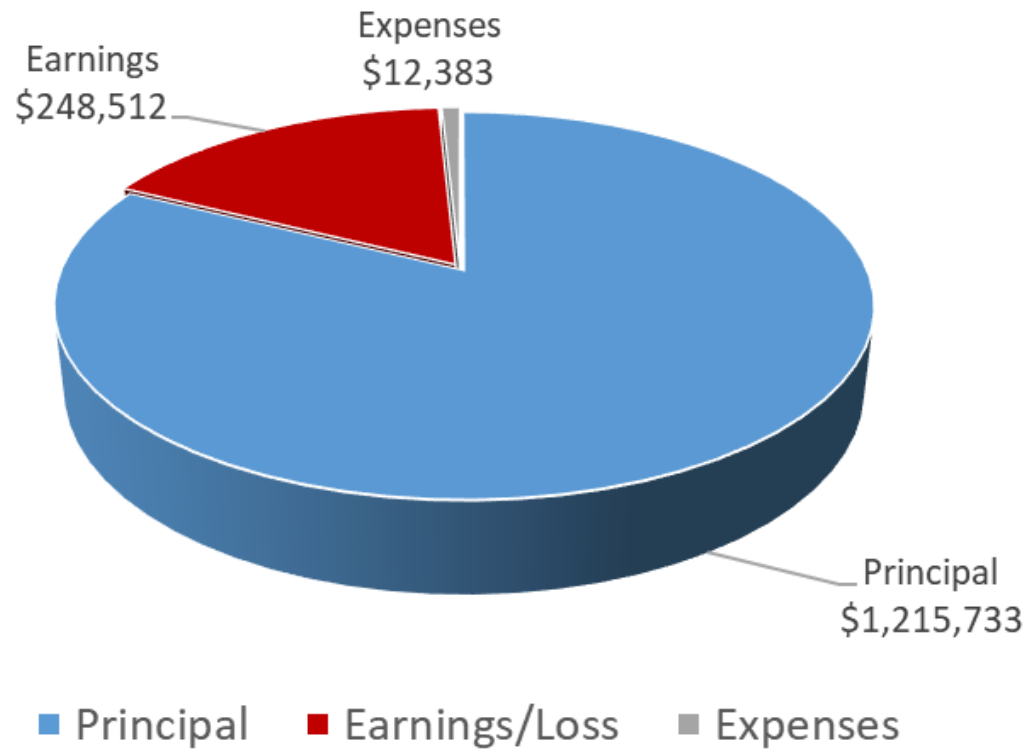
General Fund Unrestricted Fund Balance

July 1, 2019	\$7,828,854
Projected surplus	<u>871,944</u>
June 30, 2019 projected	<u><u>\$8,770,798</u></u>
Percent of General Fund revenue	<u><u>34.9%</u></u>

OPEB Funding – Retiree Health Insurance

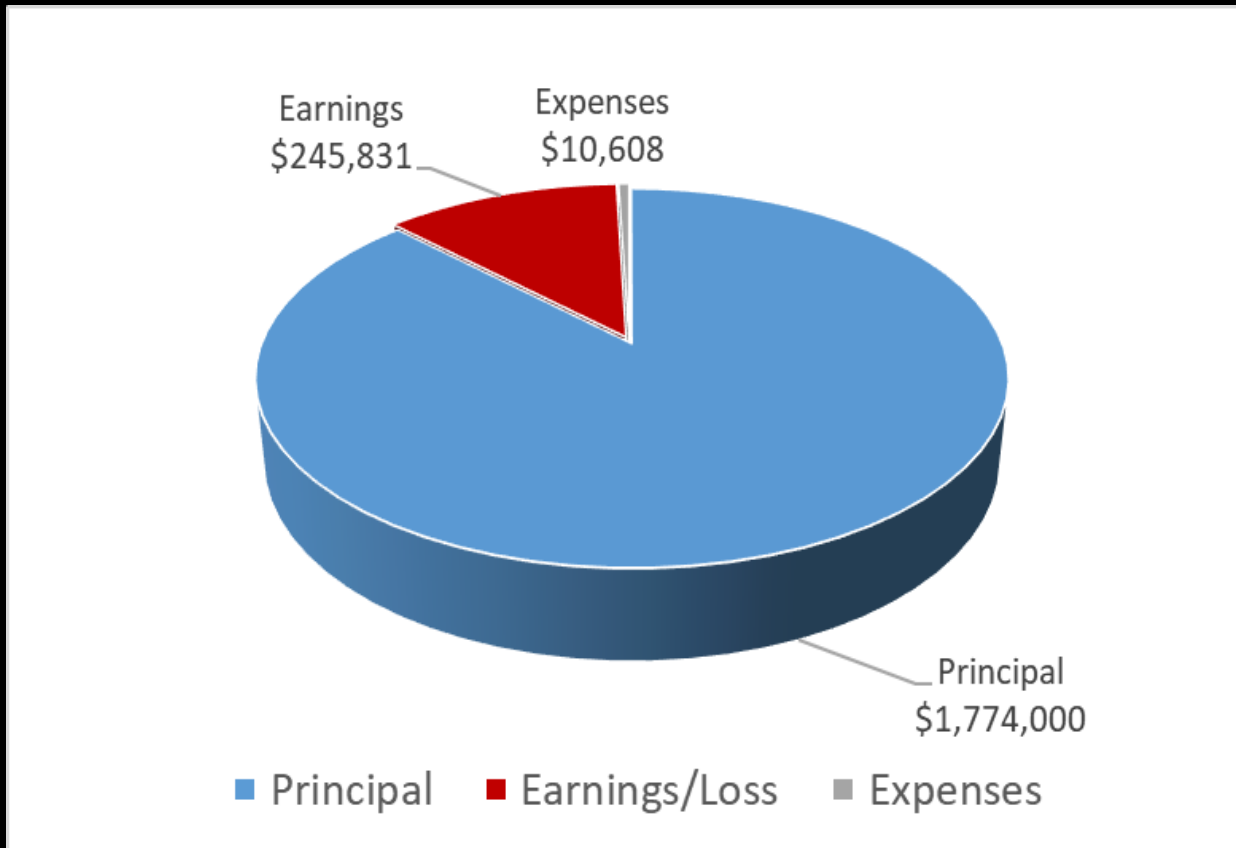
- Two tiers of retiree health benefits:
 - Tier 1 - MOUs capped District contribution for medical and dental benefits.
 - Tier 2 - PEHMCA minimum contribution \$139 per month.
- Net OPEB Liability: \$14.9M
- OPEB trust account: \$1,451,862

OPEB Funding – Retiree Health Insurance Balance \$1,451,862



Pension Rate Stabilization Trust

Balance \$2,009,223



Capital Projects Fund

- Projected deficit \$511K
- Budget adjustments recommended:
 - Increase revenue for the fire flow tax - \$1,088,136
 - Increase transfers out for fire flow tax - \$1,055,987

Debt Service Fund

- Budget surplus \$243K
- Actuals projected to meet budget

North Orinda Emergency Fuel Break Fund

- Projected surplus \$433,331
- Budget adjustments recommended:
 - Decrease revenue \$83,919
 - Decrease expenditures \$517,250
- Fund balance June 30, 2020 projected \$450,195

District Projected Surplus 2020

General Fund	\$871,944
Capital Projects Fund	(511,254)
Debt Service Fund	243,028
North Orinda Fuel Break	433,331
Total District Projected Surplus	<u>\$1,037,049</u>

Budget Preparation 2021

- Salary increases effective July 1, 2020:
 - Local 1230: 3%
 - Chief Officers Association: 2%
 - Unrepresented: 2%
- CCCERA rates have been adopted
 - Safety +2.30%
 - Non-Safety +0.31%

Recommended Budget Adjustments

- General Fund
 - Revenue decrease \$1,385,088
 - Expenditure decrease \$2,257,032
- Capital Projects Fund
 - Revenue increase \$1,088,136
 - Expenditure increase \$1,055,987
- North Orinda Emergency Fuel Break Fund
 - Revenue decrease \$83,919
 - Expenditure decrease \$517,250