

MARINWOOD COMMUNITY SERVICES DISTRICT
Emergency Services Succession Committee
Meeting Agenda

Tuesday December 5, 2017- 5:30PM

Marinwood Community Center, 775 Miller Creek Road, San Rafael, CA 94903

| Item | Time | Description | Action |
|------|---------|--|---------|
| A. | 5:30 PM | Call to Order | |
| B. | 5:35 PM | Review Agenda | Adopt |
| C. | 5:40 PM | Minutes of November 7, 2017 ESS Committee Meeting | Approve |
| D. | 5:45 PM | Committee Membership Update | Appoint |
| E. | 5:50 PM | Committee Reports | Discuss |
| | | 1. Financial Trends and Drivers | Discuss |
| | | 2. Operational Considerations | Discuss |
| | | 3. Template of Services/Costs | Discuss |
| | | 4. Administrative and Legal Planning | Discuss |
| F. | 6:40 PM | Additional Items for Discussion and Evaluation | Discuss |
| G. | 6:45 PM | Public Comment on Non-Agenda Items* <i>Speakers are asked to limit comments to three minutes. Speakers may comment only on non-agenda items within the subject matter of the Committee. The Committee may not take action on, consider or debate items not on the agenda except under narrow circumstances meeting statutory tests. Response to comments on non-agenda items will be limited to factual information or clarifying questions from Committee members. The Chairperson(s) may refer the matter to a future meeting agenda.</i> | |
| H. | 6:50 PM | Requests for Future Agenda Items | Discuss |
| I. | 6:55 PM | Adjournment | |

*Time for public comment will be provided at the end of each agenda item. The presiding chair may limit the time for individual comments.

Requests for disability-related modifications or accommodations, aids or services may be made to the district office no later than 72 hours prior to the meeting by contacting (415) 479-0775

MARINWOOD COMMUNITY SERVICES DISTRICT
Emergency Services Succession Committee
Meeting Minutes

Tuesday November 7, 2017- 5:30PM

Marinwood Community Center, 775 Miller Creek Road, San Rafael, CA 94903

Committee Member Attendees: Leah Green, Eric Dreikosen, Tom Roach, Brandon Selvitella, Greg Stilson, Jeff Naylor, Dan Curran

Others: Ryan Brackett, Sean Day, Brian Smith, Cesar Correa, Bob Briare, Linda Barnello

| Description |
|--|
| Meeting called to Order at 5:35PM |
| Review Agenda -Adopted as presented |
| Minutes of October 3, 2017 ESS Committee Meeting – M/s Naylor/Stilson to approve minutes as presented. Motion carried unanimously. |
| Committee Membership Update -There have been no additions to the committee while there have been some indications from a couple of people. The Chief will reach out to one individual who may be interested. The question of adding an additional firefighter was raised. The current committee was split on this idea but seemed unanimous that the concept of having a second employee vote on the committee was not necessary as the committee itself has no authority but to research facts, present and recommend certain actions to the Board. Dan Curran was appointed to serve on the subcommittee for discussions with other departments. |
| Committee Reports |
| 1. Financial Trends and Drivers - Presentation derived from three previous CalPERS Pension Valuations delivered along with article reflecting the widespread issue of public pension liabilities. This data showed that pensions are routinely one of the primary drivers toward insolvency. Representatives from the employee group questioned the reason for presenting the data and the validity of one of the state reports. The object of this presentation was to inform our citizens of the financial burdens which may necessitate significant change in how Marinwood delivers Emergency Services. Work on the 10 year income statement has progressed and should be ready for the next committee meeting. |
| 2. Operational Considerations - No report |
| 3. Template of Services/Costs - No report- The Chief has independently begun to list his job activities and other items which will be useful as a guide for discussions with other ES entities. This template is a precursor to initiating any discussions. |
| 4. Administrative and Legal Planning – No meeting yet Eric set up an ess@marinwood.org email for communication with committee. |
| Additional Items for Discussion and Evaluation - None |
| Public Comment on Non-Agenda Items – Linda suggested that the committee ramp up communication to include articles in the Marin IJ. The committee will discuss a plan to start getting the word out. Past practice of direct mailers to community households may be a consideration but is a costly one. |

**Requests for Future Agenda Items-
Communication Plan**

Reports/Status for future meetings to Eric by Wednesday before the meeting or no later than Thursday at noon to make it into the meeting packet.

Make sure that each subcommittee has a [lead] responsible for scheduling meetings and issuing reports

Financial Trends and Drivers – Eric, [Jeff] and Greg

Evaluate Operational Considerations- Tom, [Jeff] and Greg

Define Template of services/costs to use in discussions with potential service providers- [Tom], Eric and Brandon
Discussions with other departments can include San Rafael, Novato and County Fire and could include mergers, outsourcing and leveraging shared services. – [Leah], Tom and Dan

Administrative and Legal Planning for alternative solutions- [Leah], Tom and Eric

Meeting adjourned at 6:35PM

Dan proposed flexibility in the meeting start time as this session ended a half hour before the fire commission meeting start. This idea has merit particularly when there is no fire commission meeting but does possibly invite confusion if we are successful in gaining more interest from the community with varying meeting times.



Marinwood Emergency Services Succession

Financial Trends and Drivers

December 5, 2017

Financial Trends and Drivers

- **Objective: Educate our community about**
 - the sources of and limits to District revenues
 - the financial risks to our community’s services
 - focus on Emergency Service affordability
- **November Status Update**
 - Additional Meeting to Review Next Year Forecast
 - Initial discussion of forecast assumptions

Financial Trends & Forecast Comments

- Represents past 5 years revenue and expenditures
 - FY 2013 to 2016 sourced to audited financial statements
 - FY 2017 sourced to pre-audit internal financial statements
 - FY 2018 forecast based on approved budget
- Next steps:
 - Provide greater detail for FY 2013 to 2016 where possible
 - Create revenue and expenditure forecast through FY 2022:
 - Historical average percentage increase/decrease
 - Other known or identified factors (I.e. – long-term tax projections)
 - Potential for multiple models: Optimistic, Conservative, Etc.

Uncontrolled Pension Costs

| | Forecast Annual Pension Cash Outlay District Wide | | | | | | | | | |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|--|--|--|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | | | |
| Projected Misc Grand Totals Based on 2014 CalPERS Actuarial Valuation | \$100,234.28 | \$110,034.28 | \$82,955.28 | \$87,216.28 | \$0.00 | \$0.00 | \$0.00 | | | |
| Projected Safety Grand Totals Based on 2014 CalPERS Actuarial Valuation | \$384,818.70 | \$416,059.70 | \$431,309.70 | \$447,410.70 | \$0.00 | \$0.00 | \$0.00 | | | |
| District Total Based on 2014 Actuarial Valuation | \$485,052.97 | \$526,093.97 | \$514,264.97 | \$534,626.97 | | | | | | |
| Projected Misc Grand Totals Based on 2015 CalPERS Actuarial Valuation | \$128,878.99 | \$143,149.99 | \$108,276.48 | \$130,049.99 | \$123,583.99 | \$0.00 | \$0.00 | | | |
| Projected Safety Grand Totals Based on 2015 CalPERS Actuarial Valuation | \$419,743.06 | \$461,594.06 | \$464,768.58 | \$516,075.06 | \$537,304.06 | \$0.00 | \$0.00 | | | |
| District Total Based on 2015 Actuarial Valuation | \$548,622.05 | \$604,744.05 | \$573,045.06 | \$646,125.05 | \$660,888.05 | | | | | |
| Projected Misc Grand Totals Based on 2016 CalPERS Actuarial Valuation | \$131,202.37 | \$148,023.76 | \$134,186.53 | \$148,426.53 | \$147,676.53 | \$155,836.53 | \$162,936.53 | | | |
| Projected Safety Grand Totals Based on 2016 CalPERS Actuarial Valuation | \$426,340.88 | \$492,868.38 | \$529,675.75 | \$574,185.75 | \$612,735.75 | \$639,115.75 | \$568,385.75 | | | |
| District Total Based on 2016 Actuarial Valuation | \$557,543.26 | \$640,892.13 | \$663,862.28 | \$722,612.28 | \$760,412.28 | \$794,952.28 | \$731,322.28 | | | |

| | UJAL 6/30/13 | FTE | UJAL 6/30/14 | FTE | UJAL 6/30/15 | FTE | UJAL 6/30/16 | FTE |
|-----------------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-----|
| Misc Classic 2@60 | Funded Ratio | 80.10% | 84.90% | 80.90% | 7 | 75.10% | 7 | |
| | UJAL \$ | \$610,283 | \$524,849 | \$730,873 | | \$989,463 | | |
| Misc PEPRAs 2@62 | Funded Ratio | 0.00% | 100.00% | 99.30% | 2 | 91.70% | 2 | |
| | UJAL \$ | \$0 | \$0 | \$146 | | \$3,452 | | |
| Safety PEPRAs 2.7@57 | Funded Ratio | 0.00% | 0.00% | 94.80% | 1 | 91.20% | 3 | |
| | UJAL \$ | \$0 | \$0 | \$388 | | \$2,239 | | |
| Safety Tier 2 3@55 | Funded Ratio | 80.60% | 99.30% | 99.80% | 1 | 91.00% | 0 | |
| | UJAL \$ | \$5,606 | \$326 | \$147 | | \$4,908 | | |
| Safety Tier 1 3@50 | Funded Ratio | 72.50% | 77.30% | 73.60% | 9 | 69.40% | 8 | |
| | UJAL \$ | \$2,566,825 | \$2,400,363 | \$2,845,386 | | \$3,559,390 | | |
| Total | UJAL \$ | \$3,182,714 | \$2,925,538 | \$3,576,940 | 20 | \$4,559,452 | 20 | |
| Year over Year Change | | | -\$257,176 | \$651,402 | | \$982,512 | | |

Source: 2014-2016 CalPERS Actuarial Valuations

Pension Cost Slide Comments

- The top chart on slide 3 shows that estimated future cash payments to reduce our pension debt inflate with each valuation.
 - These cash outlays for future liabilities will consume funds which would otherwise be available for the services we provide.
- The bottom chart shows that even with Annual Required Contributions (ARC) of cash, and with less staff, our pension unfunded accrued liability (UAL) continues to trend higher.
 - Pensions are supposed to be low contribution and high investment return vehicles. Both these premises are proving wrong.
 - The taxpayers will receive the bill for the unfunded liability.

Marinwood ESS Revenue Sources

Current Fire Department Revenue Taxpayer/Covered Area Composition

This information is provided primarily as context for incoming commission members.

Of the 1% property tax collected per improved property based on assessed value, the Marinwood CSD receives 20% of that amount. That revenue is allocated between the Fire, Park, Recreation and Streetlight functions of the CSD. In addition, our taxpayers have approved an increase in the per square footage special tax which is currently \$0.3015 per square foot which appears on property tax statements as “Marinwood CSD Fire”. There are also charges for unimproved parcels.

The remaining revenue comes from fees for providing fire and emergency services to other areas. The most significant is the fee from CSA13 (Upper Lucas Valley). This fee is calculated by creating the ratio of square footage in CSA 13 to the total of all square footage in Marinwood and CSA13. (This factor varies slightly each year but approximates 26% of the fire budget) and the County School/Juvenile Hall properties which are based on the Upper Lucas Valley values.

Marinwood does not receive sales tax revenue.

Next Steps

- Financial Trends and Drivers Subcommittee
 - Continued work on 5 and 5 Financial Trends P&L
 - Meet with CalPERS to identify financial impact under certain outcomes



Marinwood Emergency Services Succession

Operational Considerations

December 5, 2017

Operational Objectives

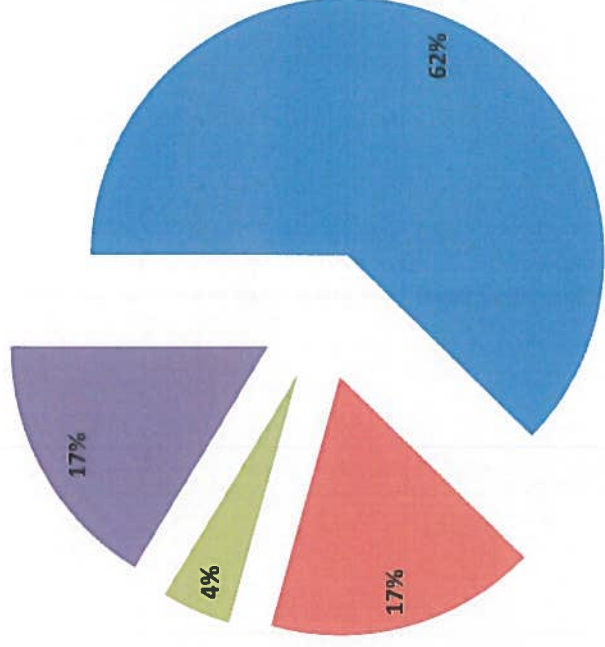
- Provide our community with the best and most complete emergency services possible within a financially sustainable model
 - Marinwood firefighters provide top notch services that they can currently deliver
- Analysis
 - 2015-16 Response Profile
 - Response Procedures
 - Staff and Service Options
 - Paramedic Service in Marinwood
 - The Shared Services Agreement

2015-16 Response Profile

- % of all 2283 calls
 - Medical Aid – 62.24%
 - Public Service Assists – 17.08%
 - Total MA/PSA – 79.32%
 - Fire – 4.34%
- % of 2019 calls excluding False Alarms/No need
 - Medical Aid – 70.38%
 - Public Service Assists – 19.32%
 - Total MA/PSA – 89.70%
 - Fire – 4.90%
- % of 1918 calls excluding False Alarms/No need/Cover
 - Medical Aid – 74.09%
 - Public Service Assists – 20.33%
 - Total MA/PSA – 94.42%
 - Fire – 5.16%

Total By Response Type

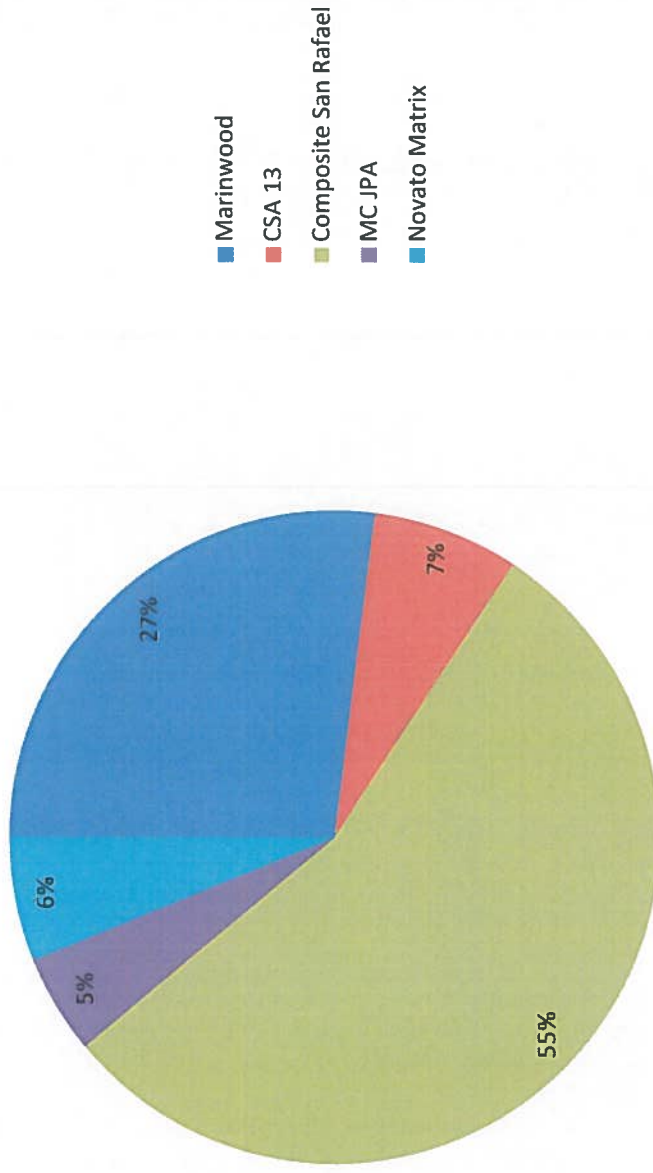
■ MA ■ PSA ■ Fire ■ Other



• Other includes FA/NN, Cover and Hazmat

2015-16 Response Profile

Responses by Area



Response Procedures

Assets and Staff

- Dispatch a fire engine for all responses
 - The majority of responses are
 - Medical Aids
 - Public Service Assists
 - Would another type of vehicle be more efficient?
- Staff required for entering a burning structure
 - 2 in 2 out in required in the vast majority of cases
 - requires a 2nd engine response
 - Alternative is to fight the fire from the outside.
- Staff required for critical cardiac events

Staff and Service Options

- Chief
 - Outsource/contract part time chief
 - Civilian Fire Service Manager
- Staff
 - Change shift component
 - Outsource one position per shift
 - Cadet on each shift
 - Review Ross Valley
 - Eliminate Relief Firefighter position
 - Outsource Safety Service
 - Analyze current Shared Services exchange costs
 - Merge with another Safety Service

Paramedic Service in Marinwood

- Data collection to reflect the need
 - Gather demographic information
 - Community Age composition
 - Number of group homes/assisted living facilities
 - Medical Assists
 - requiring a paramedic?
 - requiring transport?
 - Serious medical event outcomes

The Shared Services Agreement

- The majority of new Marinwood benefits cited in the April 2014 agreement were previously in place:
 - Dispatch, software, training, automatic aid
- The value to Marinwood was primarily the financial and operational support of local paramedic service including providing an on-request, on-site ambulance
 - Our employee group has been influenced to
 - block this benefit to our community
 - prevent their own group members from applying their skills
- In return for this net new benefit Marinwood is first responder to northern areas of San Rafael in addition to Mont Marin.
 - Marinwood responds to calls in that area of San Rafael
 - Marinwood realizes relief personnel through this agreement.
 - San Rafael collects the tax revenue from the areas Marinwood covers.
- Evaluate the benefit of keeping this precise agreement in force.