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MOFD chief ordered to cut district expenses

By Nick Marnell

The Moraga-Orinda Fire District board ordered the fire chief to cut more than \$400,000 of operating expenses and slash \$100,000 of projected overtime before it approves the 2017-18 district budget. The cuts would reduce costs in the two categories to match their 2016-17 actual expenditures.

"This budget does not reflect the long-term needs of the organization," Director John Jex said at the June 21 district meeting.

According to its 2016 Comprehensive Annual Financial Report, the district recognized \$67 million in long-term debt, which included its net pension liability and net retiree health care liability. Fire Chief Stephen Healy presented the draft of a 15-year facilities plan to the board in May that included more than \$13 million in mainly capital expenditures.

With general and capital fund balances for 2017-18 projected at slightly over \$10 million, the board objected that the proposed budget did not do enough to address those long-term liabilities or capital requirements.

"It does not provide for contingencies that will invariably come up," Director Brad Barber said. "We must build our reserves and aim for financial responsibility to our employees and the public."

The district forecast a 3.5 percent general fund revenue increase for the next fiscal year, with operating expenses to rise 21 percent. That \$500,000 cut out of overtime and operating costs could be used to help lower the district long-term debt, the board intimated.

"Give me 30 minutes and I'll find the \$400,000," Director Craig Jorgens said of the operating budget cuts. He urged the chief to rethink even items like \$7,500 for color printing cartridges. "Any area where the district can be thrifty and practical," Jorgens said.

The MOFD operating budget includes expenses other than salaries and benefits, which rose 7 percent, mostly according to terms of district labor agreements.

Directors Kathleen Famulener and Steve Anderson voted to approve the budget as presented, suggesting that the chief return to the board with amendments. "I have a hard time approving something that I do not agree with," Jex said, as he, Jorgens and Barber voted against the proposed budget.

Healy said that he will bring revised numbers, with options, to the board in July.

Reach the reporter at: nick@lamorindaweekly.com

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