



*Diane Furst, Mayor
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**City of Larkspur
Town of Corte Madera
Shared Fire Services Ad-Hoc Committee Meeting
Corte Madera Town Hall
300 Tamalpais Drive, Corte Madera
Monday, June 5, 2017
6:30 p.m.**

- 1. Welcome and Introductions**
- 2. Open time for public expression**
- 3. Managers Update**
 - a. LAFCO**
 - b. CalPERS**
 - c. FY 2017/18 Budget Cycle**
 - d. City/Town Website Pages Dedicated to Shared Fire Services**
 - e. Fire Chief Update**
 - f. Labor Group Update**
- 4. Consolidation Discussion Items:**
 - Fire Stations**
 - Existing Capital Assets**
 - Equipment Obligations**
 - MERA Obligations**
 - Reserves**
 - Insurance**
 - Funding Formula**
 - Name of Agency**
- 5. Future Agenda Items - Consolidation items around workforce:**
 - i. CalPERS Unfunded Liabilities**
 - ii. Compensated absence accruals (i.e. sick leave, vacation, comp time)**
 - iii. Other Post Employment Benefits (OPEB)**
 - iv. Organization Chart/Governance**
 - v. Joint Powers Authority (JPA) Agreement**
- 6. Adjourn**

Fire Stations

Discussion: Each Agency brings to the JPA two fire station facilities. Ownership, financing, maintenance, and operational use should be identified and discussed.

Recommendation:

Existing capital assets

Discussion: Corte Madera and Larkspur will bring to the expanded JPA fire services-related capital assets in the form of fire stations, fire vehicles, fire equipment, station furnishings, office equipment and all other fire service related capital assets.

Equipment obligations outstanding

Discussion: Identify any outstanding financial equipment obligations.

Recommendation:

MERA obligations

Discussion: Corte Madera and Larkspur, as members of the MERA JPA, are responsible for annual debt service payments for bonds associated with the initial cost of the MERA infrastructure and initial radio equipment purchase, as well as an annual administrative fee. The original 1999 Bonds were refinanced in 2010 and run through 2021.

Recommendation:

Reserves

Discussion: The new JPA will need to identify a plan to build up a reserve fund.

Recommendation:

Insurance

Discussion: Larkspur is a member of the Bay Cities Joint Powers Insurance Authority (BCJPIA) self-insurance pool. Corte Madera is in the process of submitting an application for membership into the Bay Cities Joint Powers Insurance Authority. Consider submission for membership into the Bay Cities Joint Powers Authority for the new Fire JPA. Both agencies have outstanding liability claims and workers compensation claims that were incurred prior to the formation of the expanded JPA.

Recommendation:

Funding Formula

Discussion: The current funding formula for new Fire JPA calls for each of the two agencies to share all staffing and costs on a 50/50 basis. All revenue would remain “as is” with the current agency. Two options have been identified and are being discussed regarding future paramedic tax options with the Ross Valley Paramedic Authority.

Recommendation:

Name of Agency

Discussion: A new name is needed for the expanded JPA. Fire personnel note that it would be very helpful to have a name that ties to a geographic location and prefer “Department” over “Authority”. Councilmembers have made several inquiries regarding this topic.

Recommendation:

Future Agenda Items - Consolidation Items: Workforce

CalPERS Unfunded liabilities

Discussion: Both Corte Madera and Larkspur have incurred unfunded liability from their respective CalPERS safety retirement plans.

General Accounting Standards Board (GASB) Statement No. 68 requires that government entities providing pensions to value these benefits and disclose future liabilities. CalPERS requires agencies to make annual Lump Sum payments to fund the projected liabilities, as determined by an actuarial valuation. This valuation will result in unfunded liabilities being added to the entity's balance sheet as a liability.

Recommendation:

Compensated absences

Discussion: Corte Madera and Larkspur have liabilities in the form of accrued vacation leave, and sick leave. Each agency accounts for these liabilities as part of their Government-Wide Financial Statements and are shown on the Statement of Net Assets.

Recommendation:

Other Post Employment Benefit (OPEB) liabilities

Discussion: Both Corte Madera and Larkspur have unfunded liability resulting from other post employment benefits. The benefits are in the form of retiree medical.

General Accounting Standards Board (GASB) Statement No. 45 requires that government entities providing other post-employment benefits other than pensions to value these benefits and disclose future liabilities. The Standard does not require the prefunding of these liabilities; however, funding the liabilities at an amount less than the Annual Required Contribution (ARC), as determined by an actuarial valuation, will result in ARC being added to the entity's balance sheet as a liability.

Recommendation:

Organization Chart/Governance Structure

Discussion: The sharing of services has provided staff the opportunity to evaluate all levels of the organization. Staff is positioned to provide recommendations for changes/additions/re-organization to enhance service and reduce redundancies.

Recommendation:

JPA Agreement review

Discussion: Draft agreement has been completed by Tom Bertrand (CMPA Legal Counsel). Review by City/Town attorneys is pending. The JPA agreement follows the CMPA model.

Recommendation: