

MINUTES ORANGE COUNTY FIRE AUTHORITY

Budget and Finance Committee Regular Meeting
Wednesday, May 9, 2018
12:00 Noon

Regional Fire Operations and Training Center
Room AE117
1 Fire Authority Road
Irvine, CA 92602

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Budget and Finance Committee was called to order on May 9, 2018, at 12:00 p.m. by Chair Muller.

PLEDGE OF ALLEGIANCE

Director Hernandez led the assembly in the Pledge of Allegiance to our Flag.

ROLL CALL

Present: Shelley Hasselbrink, Los Alamitos
Gene Hernandez, Yorba Linda
Joseph Muller, Dana Point
Al Murray, Tustin
Ed Sachs, Mission Viejo
Tri Ta, Westminster

Absent: Elizabeth Swift, Buena Park

Also present were:

Assistant Chief Lori Smith	Human Resources Director Brigette Gibb
Assistant Chief Lori Zeller	Assistant Chief Dave Anderson
Assistant Chief Brian Young	Assistant Chief Mike Schroeder
General Counsel David Kendig	Assistant Clerk of the Authority Martha Halvorson

PUBLIC COMMENTS (F: 12.02B3)

Chair Muller opened the Public Comments portion of the meeting. Chair Muller closed the Public Comments portion of the meeting without any comments from the general public.

1. PRESENTATIONS

No items.

2. MINUTES

A. Minutes for the April 11, 2018, Budget and Finance Committee Regular Meeting
(F: 12.02B2)

On motion of Director Ta and second by Director Hernandez, the Budget and Finance Committee voted by those present to approve the Minutes of the April 11, 2018, regular meeting as submitted. Director Murray was absent for the vote.

3. CONSENT CALENDAR

A. Monthly Investment Reports (F: 11.10D2)

On motion of Director Ed Sachs and second by Director Hernandez, the Committee voted by those present to direct staff to place the item on the agenda for the Executive Committee meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports. Director Murray was absent for the vote.

B. Third Quarter Financial Newsletter (F: 15.07)

On motion of Director Ed Sachs and second by Director Hernandez, the Committee voted by those present to direct staff to place the item on the agenda for the Executive Committee meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports. Director Murray was absent for the vote.

C. Updated Cost Reimbursement Rates (F: 15.12)

On motion of Director Ed Sachs and second by Director Hernandez, the Committee voted by those present to direct staff to place the item on the agenda for the Board of Directors meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors approve and adopt the proposed Cost Reimbursement Rate schedules to be effective July 1, 2018. Director Murray was absent for the vote.

4. DISCUSSION CALENDAR

A. Proposed Adjustment – Santa Ana Service Charge (F: 17.16)

Assistant Chief Lori Zeller provided an overview of the Proposed Adjustment – Santa Ana Service Charge.

Director Murray arrived at this point (12:05 p.m.).

On motion of Director Sachs and second by Director Hernandez, the Committee voted unanimously by those present to direct staff to place the item on the agenda for the Board of Directors meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors approve and authorize staff to adjust the City of Santa Ana's service charge to exclude the impact of OCFA's Accelerated Pension Payments from FY 2015/16 forward.

B. Rosenow Spevacek Group, Inc. Final Property Tax Revenue Projections (F: 15.10)

Assistant Chief Lori Zeller introduced Budget Analyst Alma Penalosa who provided a PowerPoint presentation on the Final Secured Property Tax Revenue Projections.

Budget Analyst Alma Penalosa introduced Hitta Mosesman, Principal and Brett Poirer, Senior Analyst of Rosenow Spevacek Group, Inc. (RSG). Hitta Mosesman provided an overview of the Final Property Tax Revenue Projections.

On motion of Director Ta and second by Director Murray, the Committee voted unanimously by those present to receive and file the report.

C. Review of the Fiscal Year 2018/19 Proposed Budget (F: 15.04 FY 18/19)

Assistant Chief Lori Zeller provided a PowerPoint presentation on the review of the FY 2018/19 Proposed Budget.

Assistant Chief Lori Zeller introduced and welcomed City Manager Jennifer Cervantez (Rancho Santa Margarita), who was recently appointed as the Ex Officio for the Budget and Finance Committee.

Director Ta left at this point (12:55 p.m.).

On motion of Director Murray and second by Director Hernandez, the Committee voted by those present to direct staff to place the item on the agenda for the Board of Directors meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of May 24, 2018, with the Budget and

Finance Committee's recommendation that the Board of Directors take the following actions:

1. Conduct a Public Hearing
2. Adopt the proposed FY 2018/19 Budget as submitted.
3. Adopt the resolution entitled A RESOLUTION OF THE ORANGE COUNTY FIRE AUTHORITY BOARD OF DIRECTORS ADOPTING AND APPROVING THE APPROPRIATIONS BUDGET FOR THE ORANGE COUNTY FIRE AUTHORITY FOR FISCAL YEAR 2018/19.
4. Approve and authorize the temporary transfer of up to \$46 million from the following funds to cover a projected temporary cash flow shortfall for FY 2018/19:
 - a. Fund 123 Fire Stations and Facilities - \$10 million
 - b. Fund 133 Fire Apparatus - \$20 million
 - c. Fund 190 Workers' Compensation Reserve Fund - \$16 million
5. Approve and authorize the repayment of \$46 million borrowed funds from Fund 121 to the above funds along with interest when General Fund revenues become available in FY 2018/19.
6. Approve an update to the Financial Stability Budget Policy allowing for as needed transfers to the CIP funds at fiscal year onset.
7. Approve and authorize FY 2017/18 budget adjustments to increase General Fund (121) revenues by net \$2,242,077 and General Fund (121) expenditures by \$2,587,327; decrease expenditures in Fire Stations and Facilities Fund (123) by \$7,500,000 and decrease Fire Apparatus Fund (133) by \$145,000.

Director Ta was absent for the vote.

D. Proposed Procurement Policy Manual (15.02A1)

Purchasing Manager Debbie Casper provided an overview of the Proposed Procurement Policy Manual.

On motion of Director Hernandez and second by Vice Chair Hasselbrink, the Committee voted by those present to direct staff to place the item on the agenda for the Board of Directors meeting of May 24, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors receive and file the Procurement Policy Manual.

Director Ta was absent for the vote.

REPORTS

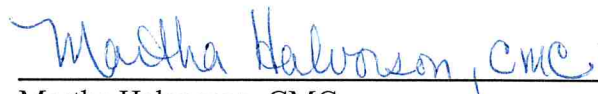
No items.

COMMITTEE MEMBER COMMENTS (F: 12.02B4)

Director Murray thanked Division Chiefs Black and Kovacs and those staff members that participated in the Emergency Expo in Tustin on Saturday, April 28, 2018, and stated the event was a great success.

Chair Muller thanked the firefighters for doing a fantastic job on the brush fire from a homeless encampment in Dana Point.

ADJOURNMENT – Chair Muller adjourned the meeting at 1:15 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, June 13, 2018, at 12:00 noon.



Martha Halvorson, CMC
Assistant Clerk of the Authority