

# MINUTES

## ORANGE COUNTY FIRE AUTHORITY

**Budget and Finance Committee Regular Meeting**  
**Wednesday, November 14, 2018**  
**12:00 Noon**

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

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### **CALL TO ORDER**

A regular meeting of the Orange County Fire Authority Budget and Finance Committee was called to order on November 14, 2018, at 12:00 p.m. by Chair Muller.

### **PLEDGE OF ALLEGIANCE**

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

### **ROLL CALL**

**Present:** Shelley Hasselbrink, Los Alamitos  
Joseph Muller, Dana Point  
Al Murray, Tustin  
Tri Ta, Westminster  
Don Sedgwick, Laguna Hills

**Absent:** Gene Hernandez, Yorba Linda  
Ed Sachs, Mission Viejo

### **Also present were:**

Deputy Chief Lori Zeller  
Fire Chief Brian Fennessy  
Clerk of the Authority Sherry Wentz

Deputy Chief Dave Anderson  
Assistant Chief Lori Smith

### **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 October 10, 2018, Budget and Finance Committee Regular Meeting (F: 12.02B2)**

On motion of Director Murray and second by Vice Chair Hasselbrink, the Budget and Finance Committee voted to approve the Minutes of the October 10, 2018, regular meeting as submitted.

Director Ta and Vice Chair Hasselbrink were recorded as abstentions due to their absence from the meeting.

## **3. CONSENT CALENDAR**

### **A. First Quarter Financial Newsletter (F: 15.07)**

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

### **B. Annual Statement of Investment Policy and Investment Authorization (F: 11.10D)**

On motion of Director Ta and second by Director Murray, the Committee voted unanimously by those present to direct staff to place the item on the agenda for the Board of Directors meeting of November 15, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Review and approve the submitted Investment Policy of the Orange County Fire Authority, to be effective January 1, 2019.
2. Pursuant to Government Code Sections 53601 and 53607, renew delegation of investment authority to the Treasurer for a one-year period, to be effective January 1, 2019.

## **4. DISCUSSION CALENDAR**

### **A. Monthly Investments Reports (F: 11.10D2)**

Treasurer Patricia Jakubiak provided an overview of the Monthly Investment Reports.

On motion of Director Murray and second by Director Ta, the Committee voted unanimously by those present to direct staff to place the item on the agenda for the Executive Committee meeting of November 15, 2018, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

**B. Audited Financial Reports for the Fiscal Year Ended June 30, 2018 (F: 15.06)**

Finance Manager/Auditor Jim Ruane introduced Roger Alfaro, Auditor/Partner with Vavrinek, Trine, Day & Co., who presented an overview of the audit report.

On motion of Director Ta and second by Director Sedgwick, the Committee voted unanimously by those present to direct staff to place the item on the agenda for the Board of Directors meeting of November 15, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Receive and approve the reports.
2. Adopt the revised *Assigned Fund Balance Policy* effective November 14, 2018.
3. Review the calculations used to determine the fund balance amounts assigned to the capital improvement program and workers' compensation, and confirm the calculations' consistency with the OCFA's revised Assigned Fund Balance Policy.

**C. 2018 Long Term Liability Study & Accelerated Pension Payment Plan (F: 17.06A)**

Treasurer Patricia Jakubiak provided a PowerPoint presentation on the Orange County Fire Authority Long Term Liability Study 2018.

On motion of Director Ta and second by Director Murray, the Committee voted unanimously by those present to direct staff to place the item on the agenda for the Board of Directors meeting of November 15, 2018, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Direct staff to continue the Accelerated Pension Payment Plan as indicated in the Updated Snowball Strategy.
2. Direct staff to adjust the FY 2018/19 General Fund budget to increase expenditures by \$10 million for the purpose of allocating \$10 million of the \$13 million available unencumbered funds identified in the FY 2017/18 financial audit to OCFA's unfunded pension liability.
3. Direct staff to return to the Board of Directors in January, with the mid-year financial review, to consider any allocation of the remaining \$3 million of available unencumbered funds identified in the FY 2017/18 financial audit.

**REPORTS**

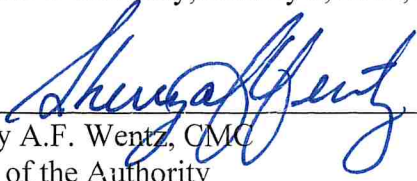
No items.

**COMMITTEE MEMBER COMMENTS (F: 12.02B4)**

Director Murray thanked staff for mutual aid assistance on the recent fires, and congratulated Jim Ruane for his promotion to Assistant Chief of Logistics. He thanked his colleagues for their work and dedication.

Chair Muller thanked Director Murray for his dedication and service to the OCFA during his tenure.

**ADJOURNMENT** – Chair Muller adjourned the meeting at 12:27 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, January 9, 2019, at 12:00 noon.

  
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Sherry A.F. Wentz, CMC  
Clerk of the Authority