



# ORANGE COUNTY FIRE AUTHORITY AGENDA

## Budget and Finance Committee Regular Meeting

Wednesday, September 8, 2021

12:00 Noon

### Regional Fire Operations and Training Center

Board Room

1 Fire Authority Road  
Irvine, California 92602

### Committee Members

Joe Muller, Chair • Tri Ta, Vice-Chair

Ed Sachs • Shelley Hasselbrink • Gene Hernandez

Mark Tettemer • John O'Neill • Anthony Kuo • Troy Bourne

Jennifer Cervantez, Ex Officio

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action or discussion shall be taken on any item not appearing on the following Agenda. Unless legally privileged, all supporting documents, including staff reports, and any writings or documents provided to a majority of the Budget and Finance Committee after the posting of this agenda are available for review at the Orange County Fire Authority Regional Fire Operations & Training Center, 1 Fire Authority Road, Irvine, CA 92602 or you may contact the Clerk of the Authority at (714) 573-6040 Monday through Thursday, and every other Friday from 8 a.m. to 5 p.m. and available online at <http://www.ocfa.org>.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Clerk of the Authority at (714) 573-6040 and identify the need and the requested modification or accommodation. Please notify us as soon as is feasible, however 48 hours prior to the meeting is appreciated to enable the Authority to make reasonable arrangements to assure accessibility to the meeting.

### **NOTICE REGARDING PUBLIC PARTICIPATION DURING COVID-19 EMERGENCY**

**The public is permitted to convene in person for this public meeting or view and comment:**

- To watch the meeting online, please go to website at [www.OCFA.org](http://www.OCFA.org)
- To submit an e-comment, please email to [PublicComments@ocfa.org](mailto:PublicComments@ocfa.org)

You may comment on items on the agenda or not on the agenda. Your comments will be forwarded electronically and immediately to the members of the Board. Comments related to a particular agenda item will only be considered prior to the close of public comments on that item.

**CALL TO ORDER** – Chair Muller

**PLEDGE OF ALLEGIANCE** - Director Tettemer

**ROLL CALL** – Clerk of the Authority

**PUBLIC COMMENTS**

**Please refer to instructions on how to submit a public comment during COVID-19 Emergency on Page 1 of this Agenda.**

**1. PRESENTATION**

No items.

**2. CONSENT CALENDAR**

*All matters on the consent calendar are considered routine and are to be approved with one motion unless a Director or a member of the public requests separate action on a specific item.*

**A. Minutes for the July 14, 2021, Regular Budget and Finance Committee Meeting**

Submitted by: Maria Huizar, Clerk of the Authority

The record will reflect that any Director not in attendance at the meeting of the Minutes will be registered as an abstention, unless otherwise indicated.

Recommended Action:

Approve as submitted.

**B. Monthly Investment Reports**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and James Slobojan, Assistant Treasurer/Treasury & Financial Planning

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

**C. Fourth Quarter Financial Newsletter**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and Stuart Lam, Budget Manager/Treasury & Financial Planning

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

**D. Fourth Quarter Purchasing Report**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department and Sara Kennedy, Purchasing Manager/Purchasing Division

Recommended Action:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors receive and file the report.

**3. DISCUSSION CALENDAR****A. Annual Investment Report**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and James Slobojan, Assistant Treasurer//Treasury & Financial Planning

Recommended Action:

In compliance with Section 18.2 of the Orange County Fire Authority's Investment Policy, review the proposed annual agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

**B. Budget Adjustment to Conduct Mandated Defensible Space Compliance Inspections per Assembly Bill 38**

Submitted by: Lori Smith, Assistant Chief/Community Risk Reduction and Robert Cortez, Assistant Chief/Business Services Department

Recommended Actions:

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting on September 23, 2021, with the Budget & Finance Committee's recommendation that the Board of Directors:

1. Amend the Master Position Control List to add one Fire Prevention Specialist to conduct defensible space inspections located in the High or Very High Hazard Severity Zones.
2. Approve a Budget Adjustment to increase revenue by \$180,000 and expenditures by \$180,000, including \$135,000 in the General Fund (121) and \$45,000 in the Fleet CIP Fund (133).

**C. Carryover of FY 2020/21 Uncompleted Projects**

Submitted by: Robert Cortez, Assistant Chief/Business Services Department, Tricia Jakubiak, Treasurer/Treasury & Financial Planning and Stuart Lam, Budget Manager/Treasury & Financial Planning

Recommended Actions:

Review the proposed agenda item and direct staff to place the item on the agenda for the

Board of Directors meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors authorize the following proposed budget adjustments:

1. Approve a budget adjustment in the FY 2021/22 General Fund (121) increasing revenues by \$16,637,547 and expenditures by \$17,174,678.
2. Approve a budget adjustment in the FY 2021/22 General Fund CIP (12110) increasing expenditures by \$6,025,736.
3. Approve a budget adjustment in the FY 2021/22 Fire Stations and Facilities Fund (123) increasing expenditures by \$6,818,795.
4. Approve a budget adjustment in the FY 2021/22 Communications and Information Systems Fund (124) increasing expenditures by \$3,741,515.
5. Approve a budget adjustment in the FY 2021/22 Fire Apparatus Fund (133) increasing expenditures by \$10,414,456.
6. Approve a budget adjustment in the FY 2021/22 Settlement Agreement Fund (139) increasing expenditures by \$1,500,000.
7. Approve a budget adjustment in the FY 2021/22 Structural Fire Entitlement Fund (171) increasing expenditures by \$1,120,305.

**D. Follow-up to Fleet Replacement and Maintenance Analysis Request**

Submitted by: Jim Ruane, Assistant Chief/Logistics Department and Robert Cortez, Assistant Chief/Business Services Department

Recommended Action:

Receive and file.

**REPORTS**

No Items.

**COMMITTEE MEMBER COMMENTS**

**ADJOURNMENT** – The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, October 13, 2021, at 12:00 noon.

**AFFIDAVIT OF POSTING**

I hereby certify under penalty of perjury and as required by the State of California, Government Code § 54954.2(a), that the foregoing Agenda was posted in the lobby and front gate public display case of the Orange County Fire Authority, Regional Fire Operations and Training Center, 1 Fire Authority Road, Irvine, CA, not less than 72 hours prior to the meeting.

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Maria D. Huizar, CMC  
Clerk of the Authority

**UPCOMING MEETINGS:**

Executive Committee

Board of Directors

Budget & Finance Committee

Thursday, September 23, 2021, 5:30 p.m.

Thursday, September 23, 2021, 6:00 p.m.

Wednesday, October 13, 2021, 12 noon

# MINUTES ORANGE COUNTY FIRE AUTHORITY

## Budget and Finance Committee Regular Meeting

Wednesday, July 14, 2021

12:00 Noon

Regional Fire Operations and Training Center

Board Room

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 July 14, 2021, 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:** Joe Muller, Dana Point, Chair\*  
Tri Ta, Westminster, Vice Chair\*  
Gene Hernandez, Yorba Linda\*  
Shelley Hasselbrink, Los Alamitos\*  
Anthony Kuo, Irvine\*  
John O'Neill, Garden Grove\*  
Mark Tettermer, Lake Forest\*

**Absent:** Troy Bourne, San Juan Capistrano                      Ed Sachs, Mission Viejo

### Also present were:

|                                       |  |
|---------------------------------------|--|
| Fire Chief Brian Fennessy             | Assistant Chief Phil Johnson           |
| Deputy Chief Kenny Dossey             | Assistant Chief Randy Black            |
| Assistant Chief Lori Smith            | Assistant Chief Jim Ruane              |
| Assistant Chief Robert Cortez         | Clerk of the Authority Maria Huizar    |
| General Counsel David Kendig          | Dir. of Communications Colleen Windsor |
| Ex-Officio Member, Jennifer Cervantez |  |

### PUBLIC COMMENTS

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.

*\*Committee Members participating via teleconferencing*

## **1. PRESENTATION**

No items.

## **2. CONSENT CALENDAR**

On motion of Director Ta and second by Director Tetteimer, and following a roll call vote, declared passed 5-0 Items 2A-2B, and 2D (Directors Bourne, Kuo, O'Neill, and Sachs absent). Agenda Item 2C was pulled for separate consideration.

Director O'Neill arrived at this point (12:10 p.m.).

### **A. Minutes for the June 9, 2021, Regular Budget and Finance Committee Meeting (FILE 12.02B2)**

Action: Approve as submitted.

### **B. Monthly Investment Reports (FILE 11.10D2)**

Action: Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of July 22, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

### **C. Budget Adjustment for General Liability Insurance (FILE 18.10A4)**

Director Tetteimer pulled this item for separate consideration.

On motion of Director Tetteimer and second by Director Muller, and following a roll call vote, declared passed 6-0 (Directors Bourne, Kuo, and Sachs absent) to: review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of July 22, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors approve a budget adjustment to the FY 2021/22 General Fund (121) budget increasing expenditures by \$791,679.

### **D. Acceptance of 2021 Department of Homeland Security/Federal Emergency Management Agency's Urban Search & Rescue Preparedness Cooperative Agreement Funding (FILE 16.02A)**

Action: Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of July 22, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Approve and adopt the proposed Resolution to accept the Department of Homeland Security/Federal Emergency Management Agency's Grant Readiness Cooperative Agreement funding.
2. Approve a budget adjustment to the FY 2021/22 General Fund (121) budget increasing revenues and expenditures by \$1,269,878.

Director Kuo arrived at this point (12:14 p.m.).

### **3. DISCUSSION CALENDAR**

#### **A. Fire Integrated Real-time Intelligence System (FIRIS) 3.0 Program (FILE 18.09D)**

Fire Chief Brian Fennessy presented the Fire Integrated Real-time Intelligence System (FIRIS) 3.0 Program.

Discussion ensued.

On motion of Director Ta and second by Director Hernandez, and following a roll call vote, declared passed 7-0 (Directors Bourne and Sachs absent) to:

1. Approve and authorize the Board Chair to accept Cal OES reimbursement funding in the amount of \$4,001,791 for the implementation of the three-month FIRIS 3.0 program.
2. Approve and authorize a budget adjustment to increase revenue and appropriations in FY 2021/22 General Fund (121) budget by \$4,001,791 in new Cal OES funding.
3. Approve and authorize the Purchasing Manager to execute a Professional Services Agreement acceptable to the Fire Chief and in a form approved by General Counsel with AEVEX for aviation services in an amount not to exceed \$2,400,250.
4. Approve and authorize the Purchasing Manager to enter into new Professional Services Agreements acceptable to the Fire Chief and in a form approved by General Counsel with the Air Tactical Group Supervisors at amounts not to exceed \$90,000 each. The aggregate total for FIRIS-related ATGS services is not to exceed \$808,519 for the three-month program duration.
5. Approve and authorize the Purchasing Manager to execute an extension acceptable to the Fire Chief and in a form approved by General Counsel to the previously approved Service Agreement with UCSD/WIFIRE using the sole source provision of the Purchasing Ordinance for fire behavior modeling and other related services in an amount not to exceed \$166,667.
6. Approve and authorize the Purchasing Manager to enter into a new Professional Services Agreement acceptable to the Fire Chief and in a form approved by General Counsel with Rocky Opliger for program management services in an amount not to exceed \$60,000 for the program duration.
7. Approve and authorize the Fire Chief and Purchasing Manager to enter into cost reimbursement agreements acceptable to the Fire Chief and in a form approved by General Counsel for project management and Fusion Center support services with (a) the Los Angeles Fire Department and (b) North County Fire Protection District in a combined amount not to exceed \$250,000.



8. Approve and authorize the Fire Chief and Purchasing Manager to enter into agreements acceptable to the Fire Chief and in a form approved by General Counsel providing for the use of an air base location to be determined for Southern California operations and Sacramento McClellan Airport for Northern California operations by OCFA and its contractors for office space, to store aircraft and conduct air operations (including take offs and landings) from the respective facilities in an aggregate amount not to exceed \$15,000.
9. Approve and authorize the Purchasing Manager to adjust all FIRIS-related vendor contracts by the individual amounts needed during the three-month duration, in support of FIRIS 3.0 Program, so long as the aggregate value of the increase does not exceed the revised program budget in Table One.

**B. Updated OCFA Basic Life Support Medical Supplies Reimbursement Rate**  
(FILE 18.05A4)

Assistant Chief Robert Cortez presented the Updated OCFA Basic Life Support Medical Supplies Reimbursement Rate.

On motion of Director Kuo and second by Director Tettemer, and following a roll call vote, declared passed 6-0 (Directors Bourne, Sachs, and Ta absent) to review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of July 22, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors approve and adopt the updated Basic Life Support Medical Supplies Reimbursement Rate.

**C. Modification of Purchasing Ordinance and Purchasing Provisions of Roles/Responsibilities/Authorities Matrix** (FILE 11.10H)

Assistant Chief Cortez presented the Modifications of Purchasing Ordinance and Purchasing Provisions of Roles/Responsibilities/Authorities Matrix.

Discussion ensued.

On motion of Director Muller and second by Director Kuo, and following a roll call vote, declared passed 7-0 (Directors Bourne and Sachs absent) to direct staff to place the item on the agenda for the Board of Directors meeting of July 22, 2021, reflecting input from the Budget and Finance Committee to modify the Purchasing Ordinance and Purchasing Provisions of the Roles/Responsibilities/Authorities Matrix to conform to the direction from the Board of Directors during its May 27, 2021, meeting, along with additional edits to the Matrix for approval.

**REPORTS**

No Items.

## **COMMITTEE MEMBER COMMENTS (FILE 12.02B4)**

Chair Muller offered praise to staff for their diligent work on the Purchasing Ordinance and Purchasing Provisions agenda item, and thanked Chief Fennessy for his committed work on the FIRIS 3.0 Program.

**ADJOURNMENT** – Chair Muller adjourned the meeting at 1:21 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, September 8, 2021, at 12:00 noon.

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Maria D. Huizar, CMC  
Clerk of the Authority



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 2B**  
**Consent Calendar**

**Monthly Investment Reports**

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**Contact(s) for Further Information**

|  |  |              |
|--|--|--------------|
| Robert Cortez, Assistant Chief<br>Business Services Department       | <a href="mailto:robertcortez@ocfa.org">robertcortez@ocfa.org</a>     | 714.573.6012 |
| Tricia Jakubiak, Treasurer<br>Treasury & Financial Planning          | <a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a> | 714.573.6301 |
| James Slobojan, Assistant Treasurer<br>Treasury & Financial Planning | <a href="mailto:james@slobojan@ocfa.org">james@slobojan@ocfa.org</a> | 714.573.6305 |

**Summary**

This agenda item is a routine transmittal of the monthly investment reports submitted to the Committee in compliance with the investment policy of the Orange County Fire Authority and with Government Code Section 53646.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Since the Committee did not meet in August, attached are the final monthly investment reports for the months ending June 30, 2021 and July 31, 2021. A preliminary investment report as of August 20, 2021, is also provided as the most complete report that was available at the time this agenda item was prepared.

**Attachment(s)**

1. Final Investment Report – June 2021/Preliminary Report –July 2021
2. Final Investment Report – July 2021/Preliminary Report –August 2021

# ***Orange County Fire Authority Monthly Investment Report***



***Final Report – June 2021***

***Preliminary Report – July 2021***



## ***Monthly Investment Report Table of Contents***

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# *Orange County Fire Authority*

## *Final Investment Report*

*June 30, 2021*



## **EXECUTIVE SUMMARY**

### ***Portfolio Activity & Earnings***

During the month of June 2021, the size of the portfolio decreased slightly by approximately \$3.4 million to \$197.2 million. Noteworthy receipts for the month included cash contract payments totaling \$10.2 million, County of Orange payments of \$2.4 million, various reimbursement payments and other charges for current services totaling \$11.1 million and \$7.7 million from Southern California Edison to fund the Quick Reaction Force (QRF) program. Significant disbursements for the month included two biweekly payrolls totaling approximately \$28.8 million. Total June cash outflows amounted to approximately \$34.3 million. The portfolio's balance is expected to decrease in July as receipts forecast for the month will not exceed projected expenditures.

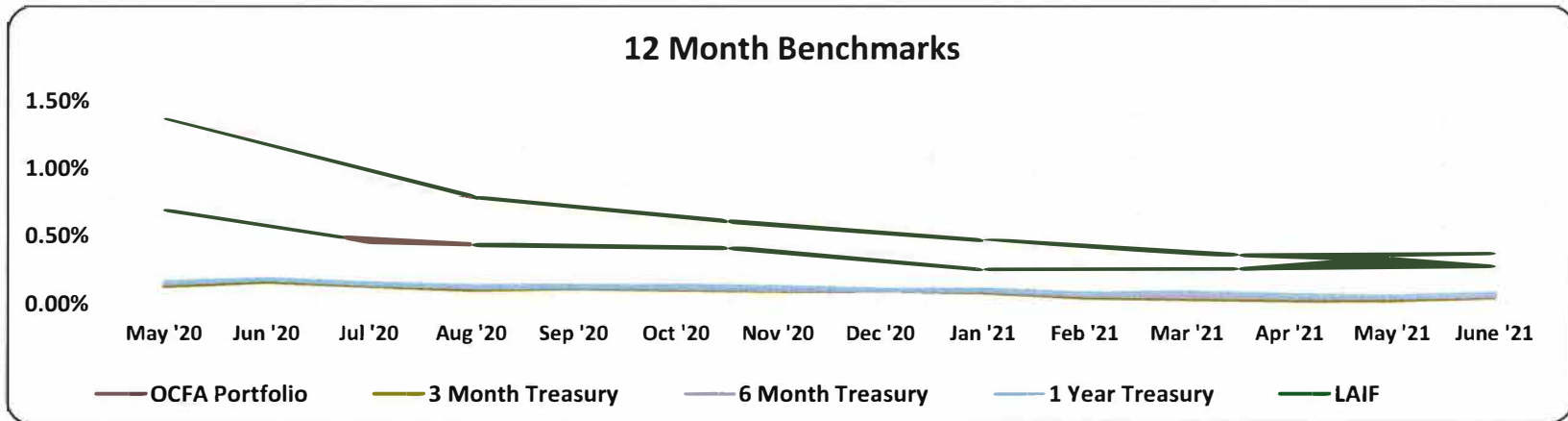
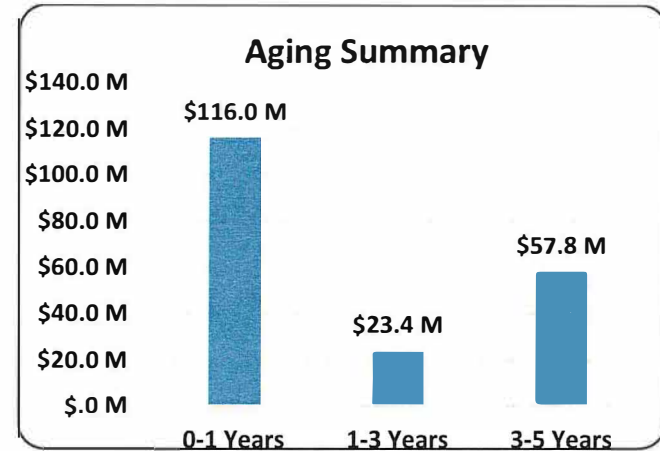
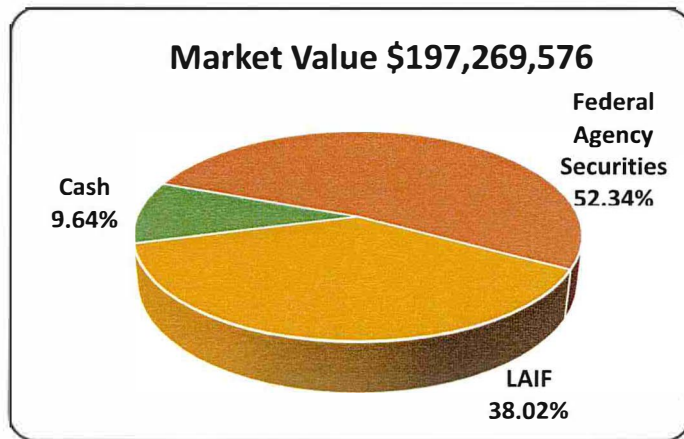
In June, the portfolio's yield to maturity (365-day equivalent) remained at 0.38%. The effective rate of return increased by 1 basis point to 0.36% for the month, and the average maturity of the portfolio decreased by 11 days to 37 days to maturity.

### ***Economic News***

In June 2021, the U.S. economy added 850,000 jobs and the unemployment rate increased slightly by 0.1 percentage point to 5.9%. Consumer confidence continued its rise, jumping to its highest level in nearly 16 months as optimism in the labor market grew amid the reopening of the economy. Retail sales increased 0.6% in June after a decline in May, providing a sign of recovery in the U.S. economy. Sales at restaurants and bars were strong while furniture and sporting goods dropped. Producer prices (the prices companies pay for goods and services) rose 7.3% in June on an annual basis, which is the largest 12-month increase in nearly 11 years. On a monthly basis, the producer price index rose 1%. The Consumer Price Index (CPI) rose 0.9% in June while consumer prices jumped 5.4% year-over-year, keeping inflation at its highest rate in 13 years. Inflation has continued to soar as pandemic related bottlenecks and other supply constraints have led to rapid price increases for certain goods and services. Federal Reserve Bank officials believe the current inflation data is due to temporary factors that will subside as the year goes on and appear higher because of comparisons to the year-ago period, when economic activity was impacted due to pandemic restrictions. However, the Federal Reserve Bank indicated that rate hikes could come as soon as 2023, after indicating in March that it saw no increases until at least 2024.



**OCFA'S PORTFOLIO IS EXCEEDING BOTH THE LAIF AND TREASURY BENCHMARKS AS OF JUNE 30, 2021**





**BENCHMARK COMPARISON AS OF JUNE 30, 2021**

|                 |       |                |       |
|-----------------|-------|----------------|-------|
| 3 Month T-Bill: | 0.04% | 1 Year T-Bill: | 0.07% |
| 6 Month T-Bill: | 0.05% | LAIF:          | 0.26% |
| OCFA Portfolio: |       | 0.36%          |       |

**PORTFOLIO SIZE, YIELD, & DURATION**

|                             | <u>Current Month</u> | <u>Prior Month</u> | <u>Prior Year</u> |
|-----------------------------|----------------------|--------------------|-------------------|
| Book Value                  | \$197,269,576        | \$200,688,284      | \$187,514,436     |
| Yield to Maturity (365 day) | 0.38%                | 0.38%              | 0.63%             |
| Effective Rate of Return    | 0.36%                | 0.35%              | 0.59%             |
| Days to Maturity            | 37                   | 48                 | 38                |



# **ORANGE COUNTY FIRE AUTHORITY** **Portfolio Management** **Portfolio Summary** **June 30, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

See Note 1 on page 10

See Note 2 on page 10

| Investments   | Par Value             | Market Value          | Book Value            | % of Portfolio | Term       | Days to Mat./Call | YTM/Call 360 Equiv. | YTM/Call 365 Equiv. |
|---|-----------------------|-----------------------|-----------------------|----------------|------------|-------------------|---------------------|---------------------|
| Federal Agency Coupon Securities                          | 81,450,000.00         | 81,248,975.35         | 81,452,677.64         | 45.64          | 1,318      | 57                | 0.580               | 0.588               |
| Federal Agency Disc. -Amortizing                          | 22,000,000.00         | 21,997,600.00         | 21,999,146.69         | 12.33          | 123        | 85                | 0.015               | 0.015               |
| Local Agency Investment Funds                             | 75,000,000.00         | 75,006,222.75         | 75,000,000.00         | 42.03          | 1          | 1                 | 0.258               | 0.262               |
| <b>Investments</b>  | <b>178,450,000.00</b> | <b>178,252,798.10</b> | <b>178,451,824.33</b> | <b>100.00%</b> | <b>617</b> | <b>37</b>         | <b>0.375</b>        | <b>0.380</b>        |
| <b>Cash and Accrued Interest</b>                          |                       |                       |                       |                |            |                   |                     |                     |
| Passbook/Checking<br>(not included in yield calculations) | 19,015,342.98         | 19,015,342.98         | 19,015,342.98         |                | 1          | 1                 | 0.000               | 0.000               |
| Accrued Interest at Purchase                              |                       | 1,435.11              | 1,435.11              |                |            |                   |                     |                     |
| Subtotal  |                       | 19,016,778.09         | 19,016,778.09         |                |            |                   |                     |                     |
| <b>Total Cash and Investments</b>                         | <b>197,465,342.98</b> | <b>197,269,576.19</b> | <b>197,468,602.42</b> |                | <b>617</b> | <b>37</b>         | <b>0.375</b>        | <b>0.380</b>        |

| Total Earnings                  | June 30 Month Ending  | Fiscal Year To Date   | Fiscal Year Ending |
|---------------------------------|-----------------------|-----------------------|--------------------|
| Current Year                    | 58,595.72             | 555,477.26            | 555,477.26         |
| <b>Average Daily Balance</b>    | <b>200,713,063.55</b> | <b>154,474,767.53</b> |                    |
| <b>Effective Rate of Return</b> | <b>0.36%</b>          | <b>0.36%</b>          |                    |

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

**Cash and Investments with GASB 31 Adjustment:**

|   |                          |
|---|--------------------------|
| Book Value of Cash & Investments before GASB 31 (Above) | \$ 197,468,602.42        |
| GASB 31 Adjustment to Books (See Note 3 on page 10)     | \$ (199,026.23)          |
| <b>Total</b>  | <b>\$ 197,269,576.19</b> |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2021**

See Note 1 on page 10

See Note 2 on page 10

| CUSIP                                   | Investment # | Issuer  | Average<br>Balance    | Purchase<br>Date | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 | Days to<br>Mat./Call | Maturity<br>Date |
|---|--------------|---|-----------------------|------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------|----------------------|------------------|
| <b>Money Mkt Mutual Funds/Cash</b>      |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS528                                  | 528          | Federated Treasury Obligations                |                       | 07/01/2020       | 0.00                  | 0.00                  | 0.00                  | 0.010          | 0.010           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>18,261,357.26</b>  |                  | <b>0.00</b>           | <b>0.00</b>           | <b>0.00</b>           |                | <b>0.000</b>    | <b>0</b>             |                  |
| <b>Federal Agency Coupon Securities</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 3133EMLE0                               | 1020         | Federal Farm Credit Bank (Continuous Call     |                       | 12/23/2020       | 14,000,000.00         | 13,968,780.00         | 14,000,000.00         | 0.190          | 0.190           | 31                   | 09/22/2023       |
| 3133EMWH1                               | 1030         | Federal Farm Credit Bank (Callable 4/21/2022) |                       | 04/22/2021       | 3,000,000.00          | 2,991,990.00          | 3,002,677.64          | 0.710          | 0.710           | 294                  | 04/21/2025       |
| 3133EMXS6                               | 1032         | Federal Farm Credit Bank (Callable 7/28/2021) |                       | 04/28/2021       | 12,000,000.00         | 11,997,960.00         | 12,000,000.00         | 0.720          | 0.720           | 27                   | 04/28/2025       |
| 3130ALNY6                               | 1025         | Fed Home Loan Bank (Callable 9/30/2021)       |                       | 03/30/2021       | 8,000,000.00          | 7,979,600.00          | 8,000,000.00          | 0.550          | 0.822           | 91                   | 09/30/2024       |
| 3130ALTJ3                               | 1029         | Fed Home Loan Bank (Callable 7/8/2021)        |                       | 04/22/2021       | 9,435,000.00          | 9,406,128.90          | 9,435,000.00          | 0.375          | 0.375           | 7                    | 04/08/2024       |
| 3130ALVR2                               | 1031         | Fed Home Loan Bank (Callable 7/23/2021)       |                       | 04/23/2021       | 11,015,000.00         | 10,975,676.45         | 11,015,000.00         | 0.520          | 0.520           | 22                   | 10/23/2024       |
| 3130AM6P2                               | 1034         | Fed Home Loan Bank (Callable 10/29/2021)      |                       | 04/29/2021       | 12,000,000.00         | 11,981,880.00         | 12,000,000.00         | 1.000          | 1.000           | 120                  | 04/29/2026       |
| 3130AM6H0                               | 1035         | Fed Home Loan Bank (Callable 8/11/2021)       |                       | 05/11/2021       | 12,000,000.00         | 11,946,960.00         | 12,000,000.00         | 0.550          | 0.550           | 41                   | 10/11/2024       |
| <b>Subtotal and Average</b>             |              |   | <b>81,452,705.98</b>  |                  | <b>81,450,000.00</b>  | <b>81,248,975.35</b>  | <b>81,452,677.64</b>  |                | <b>0.588</b>    | <b>57</b>            |                  |
| <b>Federal Agency Disc. -Amortizing</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 313313NC8                               | 1036         | Federal Farm Credit Bank                      |                       | 05/21/2021       | 12,000,000.00         | 11,998,200.00         | 11,999,273.36         | 0.020          | 0.021           | 109                  | 10/18/2021       |
| 313385KY1                               | 1037         | Fed Home Loan Bank                            |                       | 05/28/2021       | 10,000,000.00         | 9,999,400.00          | 9,999,873.33          | 0.008          | 0.008           | 57                   | 08/27/2021       |
| <b>Subtotal and Average</b>             |              |   | <b>25,999,000.31</b>  |                  | <b>22,000,000.00</b>  | <b>21,997,600.00</b>  | <b>21,999,146.69</b>  |                | <b>0.015</b>    | <b>85</b>            |                  |
| <b>Local Agency Investment Funds</b>    |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS336                                  | 336          | Local Agency Invstmt Fund                     |                       |                  | 75,000,000.00         | 75,006,222.75         | 75,000,000.00         | 0.262          | 0.262           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>75,000,000.00</b>  |                  | <b>75,000,000.00</b>  | <b>75,006,222.75</b>  | <b>75,000,000.00</b>  |                | <b>0.262</b>    | <b>1</b>             |                  |
| <b>Total and Average</b>                |              |   | <b>200,713,063.55</b> |                  | <b>178,450,000.00</b> | <b>178,252,798.10</b> | <b>178,451,824.33</b> |                | <b>0.380</b>    | <b>37</b>            |                  |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**June 30, 2021**

See Note 1 on page 10

See Note 2 on page 10

| CUSIP                              | Investment # | Issuer         | Average<br>Balance    | Purchase<br>Date             | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 Mat./Call | Days to<br>Call |
|------------------------------------|--------------|----------------|-----------------------|------------------------------|-----------------------|-----------------------|-----------------------|----------------|---------------------------|-----------------|
| <b>Money Mkt Mutual Funds/Cash</b> |              |                |                       |                              |                       |                       |                       |                |                           |                 |
| SYS10033                           | 10033        | Revolving Fund |                       | 07/01/2020                   | 20,000.00             | 20,000.00             | 20,000.00             |                | 0.000                     | 1               |
| SYS4                               | 4            | Union Bank     |                       | 07/01/2020                   | 18,995,342.98         | 18,995,342.98         | 18,995,342.98         |                | 0.000                     | 1               |
| <b>Average Balance</b>             |              |                | <b>0.00</b>           | Accrued Interest at Purchase |                       | 1,435.11              | 1,435.11              |                |                           | <b>1</b>        |
|                                    |              |                |                       | Subtotal                     |                       | 19,016,778.09         | 19,016,778.09         |                |                           |                 |
| <b>Total Cash and Investments</b>  |              |                | <b>200,713,063.55</b> |                              | <b>197,465,342.98</b> | <b>197,269,576.19</b> | <b>197,468,602.42</b> |                | <b>0.380</b>              | <b>37</b>       |

Orange County Fire Authority  
In Service of Others!



**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of July 1, 2021**

Orange County Fire Authority  
1 Fire Authority Road  
Irvine, CA 92602  
(714)573-6301

|                 |                     |                             |                |            | Maturity<br>Par Value | Percent<br>of Portfolio | Current<br>Book Value | Current<br>Market Value |
|-----------------|---------------------|-----------------------------|----------------|------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Aging Interval: | 0 days              | ( 07/01/2021 - 07/01/2021 ) | 4 Maturities   | 0 Payments | 94,015,342.98         | 47.66%                  | 94,015,342.98         | 94,021,565.73           |
| Aging Interval: | 1 - 30 days         | ( 07/02/2021 - 07/31/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 31 - 60 days        | ( 08/01/2021 - 08/30/2021 ) | 1 Maturities   | 0 Payments | 10,000,000.00         | 5.07%                   | 9,999,873.33          | 9,999,400.00            |
| Aging Interval: | 61 - 90 days        | ( 08/31/2021 - 09/29/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 91 - 120 days       | ( 09/30/2021 - 10/29/2021 ) | 1 Maturities   | 0 Payments | 12,000,000.00         | 6.08%                   | 11,999,273.36         | 11,998,200.00           |
| Aging Interval: | 121 - 365 days      | ( 10/30/2021 - 07/01/2022 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 366 - 1095 days     | ( 07/02/2022 - 06/30/2024 ) | 2 Maturities   | 0 Payments | 23,435,000.00         | 11.85%                  | 23,435,000.00         | 23,374,908.90           |
| Aging Interval: | 1096 days and after | ( 07/01/2024 - )            | 6 Maturities   | 0 Payments | 58,015,000.00         | 29.34%                  | 58,017,677.64         | 57,874,066.45           |
| Total for       |                     |                             | 14 Investments | 0 Payments |                       | 100.00                  | 197,467,167.31        | 197,268,141.08          |



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2021 includes an increase of \$6,222.75 to the LAIF investment and a decrease of (\$205,248.98) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.



## ***Local Agency Investment Fund (LAIF)***

As of June 30, 2021, OCFA has \$75,000,000 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of June 30, 2021 is 1.00008297. When applied to OCFA's LAIF investment, the fair value is \$75,006,223 or \$6,223 above cost. Although the fair value of the LAIF investment is higher than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at June 30, 2021 is included on the following page.





# State of California Pooled Money Investment Account Market Valuation 6/30/2021

| Description                 | Carrying Cost Plus           |                              | Fair Value                   | Accrued Interest         |
|-----------------------------|------------------------------|------------------------------|------------------------------|--------------------------|
|                             | Accrued Interest             | Purch.                       |                              |                          |
|                             |                              | Amortized Cost               |                              |                          |
| United States Treasury:     |                              |                              |                              |                          |
| Bills                       | \$ 77,074,683,274.61         | \$ 77,088,620,942.89         | \$ 77,087,498,500.00         | NA                       |
| Notes                       | \$ 58,652,332,896.21         | \$ 58,622,718,630.47         | \$ 58,645,873,000.00         | \$ 116,723,377.00        |
| Federal Agency:             |                              |                              |                              |                          |
| SBA                         | \$ 414,140,132.49            | \$ 414,140,132.49            | \$ 415,156,918.58            | \$ 176,099.06            |
| MBS-REMICs                  | \$ 9,796,344.36              | \$ 9,796,344.36              | \$ 10,300,100.47             | \$ 45,137.86             |
| Debentures                  | \$ 8,282,110,048.05          | \$ 8,280,101,970.26          | \$ 8,281,132,440.00          | \$ 8929,046.90           |
| Debentures FR               | \$ -                         | \$ -                         | \$ -                         | \$ -                     |
| Debentures CL               | \$ 1,200,000,000.00          | \$ 1,200,000,000.00          | \$ 1,195,687,000.00          | \$ 702,556.00            |
| Discount Notes              | \$ 13,645,696,356.89         | \$ 13,648,451,333.41         | \$ 13,648,151,500.00         | NA                       |
| Supranational Debentures    | \$ 1,722,279,377.00          | \$ 1,720,729,724.23          | \$ 1,717,313,000.00          | \$ 6202,432.50           |
| Supranational Debentures FR | \$ 200,017,292.86            | \$ 200,017,292.86            | \$ 200,033,795.26            | \$ 61,051.14             |
| CDs and YCDs FR             | \$ 300,000,000.00            | \$ 300,000,000.00            | \$ 300,006,000.00            | \$ 24,826.42             |
| Bank Notes                  | \$ 50,000,000.00             | \$ 50,000,000.00             | \$ 49,953,561.76             | \$ 3,750.00              |
| CDs and YCDs                | \$ 15,900,000,000.00         | \$ 15,900,000,000.00         | \$ 15,899,536,577.56         | \$ 8607,166.69           |
| Commercial Paper            | \$ 11,092,885,288.85         | \$ 11,097,548,301.35         | \$ 11,098,048,565.20         | NA                       |
| Corporate:                  |                              |                              |                              |                          |
| Bonds FR                    | \$ -                         | \$ -                         | \$ -                         | \$ -                     |
| Bonds                       | \$ 112,891,605.90            | \$ 112,076,612.84            | \$ 111,548,800.00            | \$ 999,562.40            |
| Repurchase Agreements       | \$ -                         | \$ -                         | \$ -                         | \$ -                     |
| Reverse Repurchase          | \$ -                         | \$ -                         | \$ -                         | \$ -                     |
| Time Deposits               | \$ 3,935,500,000.00          | \$ 3,935,500,000.00          | \$ 3,935,500,000.00          | -                        |
| PMIA & GF Loans             | \$ 725,276,000.00            | \$ 725,276,000.00            | \$ 725,276,000.00            | NA                       |
|                             |                              |                              |                              | NA                       |
| <b>TOTAL</b>                | <b>\$ 193,317,608,617.22</b> | <b>\$ 193,304,977,285.16</b> | <b>\$ 193,321,015,758.83</b> | <b>\$ 142,475,005.97</b> |

Fair Value Including Accrued Interest

\$ 193,463,490,764.80

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.00008297).

As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its

participation in the LAIF valued at \$20,001,659.40 or \$20,000,000.00 x 1.00008297.



***Orange County Fire Authority***

***Preliminary Investment Report***

***July 23, 2021***



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**July 23, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

|                                  | See Note 1 on page 19 | See Note 2 on page 19 |                       |                       |             |                          |                            |                            |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------|--------------------------|----------------------------|----------------------------|
| <b>Investments</b>               | <b>Par Value</b>      | <b>Market Value</b>   | <b>Book Value</b>     | <b>% of Portfolio</b> | <b>Term</b> | <b>Days to Mat./Call</b> | <b>YTM/Call 360 Equiv.</b> | <b>YTM/Call 365 Equiv.</b> |
| Federal Agency Coupon Securities | 81,450,000.00         | 81,425,399.30         | 81,452,632.69         | 45.64                 | 1,318       | 57                       | 0.580                      | 0.588                      |
| Federal Agency Disc. -Amortizing | 22,000,000.00         | 21,998,620.00         | 21,999,351.14         | 12.33                 | 123         | 62                       | 0.015                      | 0.015                      |
| Local Agency Investment Funds    | 75,000,000.00         | 75,006,222.75         | 75,000,000.00         | 42.03                 | 1           | 1                        | 0.258                      | 0.262                      |
|                                  | <b>178,450,000.00</b> | <b>178,430,242.05</b> | <b>178,451,983.83</b> | <b>100.00%</b>        | <b>617</b>  | <b>34</b>                | <b>0.375</b>               | <b>0.380</b>               |

**Investments**

**Cash and Accrued Interest**

|   |                       |                       |                       |  |            |           |              |              |
|---|-----------------------|-----------------------|-----------------------|--|------------|-----------|--------------|--------------|
| Passbook/Checking<br>(not included in yield calculations) | 943,799.26            | 943,799.26            | 943,799.26            |  | 1          | 1         | 0.000        | 0.000        |
| Accrued Interest at Purchase                              |                       | 1,435.11              | 1,435.11              |  |            |           |              |              |
| Subtotal  |                       | 945,234.37            | 945,234.37            |  |            |           |              |              |
| <b>Total Cash and Investments</b>                         | <b>179,393,799.26</b> | <b>179,375,476.42</b> | <b>179,397,218.20</b> |  | <b>617</b> | <b>34</b> | <b>0.375</b> | <b>0.380</b> |

| <b>Total Earnings</b>           | <b>July 23 Month Ending</b> | <b>Fiscal Year To Date</b> |
|---------------------------------|-----------------------------|----------------------------|
| Current Year                    | 41,736.29                   | 41,736.29                  |
| <b>Average Daily Balance</b>    | <b>192,616,456.57</b>       | <b>192,616,456.57</b>      |
| <b>Effective Rate of Return</b> | <b>0.34%</b>                | <b>0.34%</b>               |

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

**Cash and Investments with GASB 31 Adjustment:**

|   |                          |
|---|--------------------------|
| Book Value of Cash & Investments before GASB 31 (Above) | \$ 179,397,218.20        |
| GASB 31 Adjustment to Books (See Note 3 on page 19)     | \$ (199,026.23)          |
| <b>Total</b>  | <b>\$ 179,198,191.97</b> |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 23, 2021**

See Note 1 on page 19

See Note 2 on page 19

| CUSIP                                   | Investment # | Issuer  | Average<br>Balance    | Purchase<br>Date | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 | Days to<br>Mat./Call | Maturity<br>Date |
|---|--------------|---|-----------------------|------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------|----------------------|------------------|
| <b>Money Mkt Mutual Funds/Cash</b>      |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS528                                  | 528          | Federated Treasury Obligations                |                       | 07/01/2021       | 0.00                  | 0.00                  | 0.00                  | 0.010          | 0.010           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>14,164,549.02</b>  |                  | <b>0.00</b>           | <b>0.00</b>           | <b>0.00</b>           |                | <b>0.000</b>    | <b>0</b>             |                  |
| <b>Federal Agency Coupon Securities</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 3133EMLE0                               | 1020         | Federal Farm Credit Bank (Continuous Call     |                       | 12/23/2020       | 14,000,000.00         | 13,983,760.00         | 14,000,000.00         | 0.190          | 0.190           | 8                    | 09/22/2023       |
| 3133EMWH1                               | 1030         | Federal Farm Credit Bank (Callable 4/21/2022) |                       | 04/22/2021       | 3,000,000.00          | 3,002,940.00          | 3,002,632.69          | 0.710          | 0.710           | 271                  | 04/21/2025       |
| 3133EMXS6                               | 1032         | Federal Farm Credit Bank (Callable 7/28/2021) |                       | 04/28/2021       | 12,000,000.00         | 12,000,120.00         | 12,000,000.00         | 0.720          | 0.720           | 4                    | 04/28/2025       |
| 3130ALNY6                               | 1025         | Fed Home Loan Bank (Callable 9/30/2021)       |                       | 03/30/2021       | 8,000,000.00          | 8,000,320.00          | 8,000,000.00          | 0.550          | 0.822           | 68                   | 09/30/2024       |
| 3130ALTJ3                               | 1029         | Fed Home Loan Bank (Callable 7/8/2021)        |                       | 04/22/2021       | 9,435,000.00          | 9,433,301.70          | 9,435,000.00          | 0.375          | 0.375           | 76                   | 04/08/2024       |
| 3130ALVR2                               | 1031         | Fed Home Loan Bank (Callable 7/23/2021)       |                       | 04/23/2021       | 11,015,000.00         | 11,013,237.60         | 11,015,000.00         | 0.520          | 0.520           | 91                   | 10/23/2024       |
| 3130AM6P2                               | 1034         | Fed Home Loan Bank (Callable 10/29/2021)      |                       | 04/29/2021       | 12,000,000.00         | 12,004,200.00         | 12,000,000.00         | 1.000          | 1.000           | 97                   | 04/29/2026       |
| 3130AM6H0                               | 1035         | Fed Home Loan Bank (Callable 8/11/2021)       |                       | 05/11/2021       | 12,000,000.00         | 11,987,520.00         | 12,000,000.00         | 0.550          | 0.550           | 18                   | 10/11/2024       |
| <b>Subtotal and Average</b>             |              |   | <b>81,452,654.19</b>  |                  | <b>81,450,000.00</b>  | <b>81,425,399.30</b>  | <b>81,452,632.69</b>  |                | <b>0.588</b>    | <b>57</b>            |                  |
| <b>Federal Agency Disc. -Amortizing</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 313313NC8                               | 1036         | Federal Farm Credit Bank                      |                       | 05/21/2021       | 12,000,000.00         | 11,998,920.00         | 11,999,426.69         | 0.020          | 0.021           | 86                   | 10/18/2021       |
| 313385KY1                               | 1037         | Fed Home Loan Bank                            |                       | 05/28/2021       | 10,000,000.00         | 9,999,700.00          | 9,999,924.45          | 0.008          | 0.008           | 34                   | 08/27/2021       |
| <b>Subtotal and Average</b>             |              |   | <b>21,999,253.36</b>  |                  | <b>22,000,000.00</b>  | <b>21,998,620.00</b>  | <b>21,999,351.14</b>  |                | <b>0.015</b>    | <b>62</b>            |                  |
| <b>Local Agency Investment Funds</b>    |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS336                                  | 336          | Local Agency Invstmt Fund                     |                       |                  | 75,000,000.00         | 75,006,222.75         | 75,000,000.00         | 0.262          | 0.262           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>75,000,000.00</b>  |                  | <b>75,000,000.00</b>  | <b>75,006,222.75</b>  | <b>75,000,000.00</b>  |                | <b>0.262</b>    | <b>1</b>             |                  |
| <b>Total and Average</b>                |              |   | <b>192,616,456.57</b> |                  | <b>178,450,000.00</b> | <b>178,430,242.05</b> | <b>178,451,983.83</b> |                | <b>0.380</b>    | <b>34</b>            |                  |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**July 23, 2021**

| CUSIP                              | Investment # | Issuer         | Average<br>Balance    | Purchase<br>Date             | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 | Days to<br>Mat./Call |
|------------------------------------|--------------|----------------|-----------------------|------------------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------|----------------------|
| <b>Money Mkt Mutual Funds/Cash</b> |              |                |                       |                              |                       |                       |                       |                |                 |                      |
| SYS10033                           | 10033        | Revolving Fund |                       | 07/01/2021                   | 20,000.00             | 20,000.00             | 20,000.00             |                | 0.000           | 1                    |
| SYS4                               | 4            | Union Bank     |                       | 07/01/2021                   | 923,799.26            | 923,799.26            | 923,799.26            |                | 0.000           | 1                    |
| <b>Average Balance</b>             |              |                | <b>0.00</b>           | Accrued Interest at Purchase |                       | 1,435.11              | 1,435.11              |                |                 | <b>1</b>             |
|                                    |              |                |                       | Subtotal                     |                       | 945,234.37            | 945,234.37            |                |                 |                      |
| <b>Total Cash and Investments</b>  |              |                | <b>192,616,456.57</b> |                              | <b>179,393,799.26</b> | <b>179,375,476.42</b> | <b>179,397,218.20</b> |                | <b>0.380</b>    | <b>34</b>            |

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**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of July 24, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

|                                     |                             |                |            | Maturity<br>Par Value | Percent<br>of Portfolio | Current<br>Book Value | Current<br>Market Value |
|-------------------------------------|-----------------------------|----------------|------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Aging Interval: 0 days              | ( 07/24/2021 - 07/24/2021 ) | 4 Maturities   | 0 Payments | 75,943,799.26         | 42.34%                  | 75,943,799.26         | 75,950,022.01           |
| Aging Interval: 1 - 30 days         | ( 07/25/2021 - 08/23/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 31 - 60 days        | ( 08/24/2021 - 09/22/2021 ) | 1 Maturities   | 0 Payments | 10,000,000.00         | 5.57%                   | 9,999,924.45          | 9,999,700.00            |
| Aging Interval: 61 - 90 days        | ( 09/23/2021 - 10/22/2021 ) | 1 Maturities   | 0 Payments | 12,000,000.00         | 6.69%                   | 11,999,426.69         | 11,998,920.00           |
| Aging Interval: 91 - 120 days       | ( 10/23/2021 - 11/21/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 121 - 365 days      | ( 11/22/2021 - 07/24/2022 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 366 - 1095 days     | ( 07/25/2022 - 07/23/2024 ) | 2 Maturities   | 0 Payments | 23,435,000.00         | 13.05%                  | 23,435,000.00         | 23,417,061.70           |
| Aging Interval: 1096 days and after | ( 07/24/2024 - )            | 6 Maturities   | 0 Payments | 58,015,000.00         | 32.34%                  | 58,017,632.69         | 58,008,337.60           |
| Total for                           |                             | 14 Investments | 0 Payments |                       | 100.00                  | 179,395,783.09        | 179,374,041.31          |



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2021 includes an increase of \$6,222.75 to the LAIF investment and a decrease of (\$205,248.98) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.



## GLOSSARY

### INVESTMENT TERMS

**Basis Point.** Measure used in quoting yields on bonds and notes. One basis point is .01% of yield.

**Book Value.** This value may be the original cost of acquisition of the security, or original cost adjusted by the amortization of a premium or accretion of a discount. The book value may differ significantly from the security's current value in the market.

**Commercial Paper.** Unsecured short-term promissory notes issued by corporations, with maturities ranging from 2 to 270 days; may be sold on a discount basis or may bear interest.

**Coupon Rate.** Interest rate, expressed as a percentage of par or face value, that issuer promises to pay over lifetime of debt security.

**Discount.** The amount by which a bond sells under its par (face) value.

**Discount Securities.** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity. Treasury bills, bankers' acceptances and most commercial paper are issued at a discount.

**Effective Rate of Return.** Rate of return on a security, based on its purchase price, coupon rate, maturity date, and the period between interest payments.

**Federal Agency Securities.** Securities issued by agencies such as the Federal National Mortgage Association and the Federal Farm Credit Bank. Though not general obligations of the US Treasury, such securities are sponsored by the government and therefore have high credit ratings. Some are issued on a discount basis and some are issued with coupons.

**Federal Funds.** Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed Funds are considered to be immediately available funds.

**Fed Funds Rate.** The interest rate charged by one institution lending federal funds to another.

**Federal Open Market Committee.** The branch of the Federal Reserve Board that determines the direction of monetary policy.

**Local Agency Investment Fund (LAIF).** A California State Treasury fund which local agencies may use to deposit funds for investment and for reinvestment with a maximum of \$75 million for any agency (*excluding bond funds, which have no maximum*). It offers high liquidity because

deposits can be converted to cash in 24 hours and no interest is lost. Interest is paid quarterly and the State's administrative fee cannot to exceed 1/4 of a percent of the earnings.

**Market value.** The price at which the security is trading and could presumably be purchased or sold.

**Maturity Date.** The specified day on which the issuer of a debt security is obligated to repay the principal amount or face value of security.

**Money Market Mutual Fund.** Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repurchase agreements and federal funds).

**Par.** Face value or principal value of a bond typically \$1,000 per bond.

**Rate of Return.** The amount of income received from an investment, expressed as a percentage. A *market rate of return* is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**Treasury Bills.** Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes.** Intermediate U.S. government debt securities with maturities of one to 10 years.

**Treasury bonds.** Long-term U.S. government debt securities with maturities of 10 years or longer.

**Yield.** Rate of return on a bond.

**Yield-to-maturity.** Rate of return on a bond taking into account the total annual interest payments, the purchase price, the redemption value and the amount of time remaining until maturity.

## ECONOMIC TERMS

**Conference Board Consumer Confidence Index.** A survey that measures how optimistic or pessimistic consumers are with respect to the economy in the near future.

**Consumer Price Index (CPI).** A measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. Changes in CPI are used to assess price changes associated with the cost of living.

**Durable Goods Orders.** An economic indicator released monthly that reflects new orders placed with domestic manufacturers for delivery of factory durable goods such as autos and appliances in the near term or future.

**Gross Domestic Product.** The monetary value of all the finished goods and services produced within a country's borders in a specific time period. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

**Industrial Production.** An economic indicator that is released monthly by the Federal Reserve Board. The indicator measures the amount of output from the manufacturing, mining, electric and gas industries.

**ISM Institute for Supply Management (ISM) Manufacturing Index.** A monthly index that monitors employment, production inventories, new orders and supplier deliveries.

**ISM Non-manufacturing Index.** An index based on surveys of non-manufacturing firms' purchasing and supply executives. It tracks economic data for the service sector.

**Leading Economic Index.** A monthly index used to predict the direction of the economy's movements in the months to come. The index is made up of 10 economic components, whose changes tend to precede changes in the overall economy.

**National Federation of Independent Business Small Business Optimism Index.** An index based on surveys of small business owners' plans and expectations regarding employment, capital, inventories, economic improvement, credit conditions, expansion, and earnings trends in the near term or future.

**Producer Price Index.** An index that measures the average change over time in the selling prices received by domestic producers for their output.

**University of Michigan Consumer Sentiment Index.** An index that measures the overall health of the economy as determined by consumer opinion. It takes into account an individual's feelings toward his or her own current financial health, the health of the economy in the short term and the prospects for longer term economic growth.

# ***Orange County Fire Authority Monthly Investment Report***



***Final Report – July 2021***

***Preliminary Report – August 2021***



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# *Orange County Fire Authority*

## *Final Investment Report*

*July 31, 2021*



## EXECUTIVE SUMMARY

### *Portfolio Activity & Earnings*

During the month of July 2021, the size of the portfolio decreased by approximately \$15.8 million to \$182 million. Receipts for the month totaled \$20.7 million with noteworthy items from the County of Orange totaling \$5.9 million, cash contract payments totaling \$11.9 million and various grant reimbursement payments and other charges for current services totaling \$2.9 million. Total July cash outflows amounted to approximately \$36.6 million. Significant disbursements for the month included two biweekly payrolls totaling approximately \$26.7 million. The portfolio's balance is expected to decrease in July as receipts forecast for the month will not exceed projected expenditures.

In July, the portfolio's yield to maturity (365-day equivalent) dipped slightly to 0.37%. The effective rate of return decreased by 4 basis points to 0.32% for the month, and the average maturity of the portfolio decreased by 5 days to 32 days to maturity.

### *Economic News*

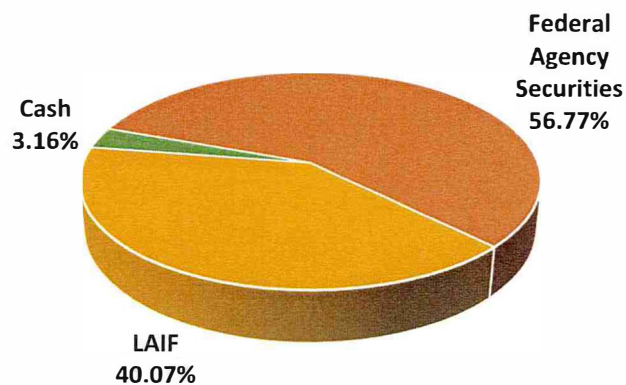
In July 2021, the non-farm payroll employment rose by 943,000, the number of unemployed persons fell by 782,000 to 8.7 million and the unemployment rate declined by 0.5 percentage point to 5.4 percent. Though these numbers are down considerably from their peaks in the early Spring of 2020, they remain well above levels prior to the pandemic. Consumer confidence improved for a sixth straight month, reaching a pandemic era high with an index of 129.1. However, concerns about rising consumer prices and the Delta Covid-19 variant have climbed in recent weeks and may impact future numbers. Retail sales for July fell 1.1%, worse than the projected 0.3% decline and below the upwardly revised 0.7% increase in June. Most of the decline came from motor vehicles and parts dealers, which fell 3.9%. Producer prices (the prices companies pay for goods and services) rose 7.8% in July on an annual basis, which is the largest 12-month increase in nearly 11 years. On a monthly basis, the producer price index rose 1%. The Consumer Price Index (CPI) rose 0.5% in July while consumer prices increased 5.4% over the last 12 months, keeping inflation at its highest rate in 13 years. Core inflation rose less than expected, helping the Federal Reserve Bank maintain its stance that inflation is transitory and primarily due to temporary factors that will subside as the year proceeds. At its August meeting, the FOMC voted to keep short-term interest rates anchored near zero while also expressing optimism about the pace of economic growth.



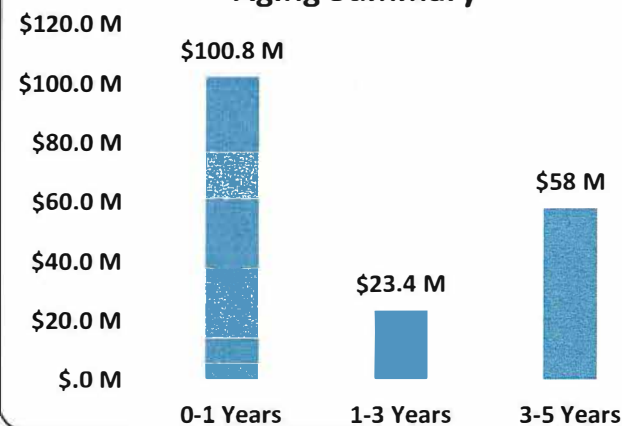


**OCFA'S PORTFOLIO IS EXCEEDING BOTH THE LAIF AND TREASURY BENCHMARKS AS OF JULY 31, 2021**

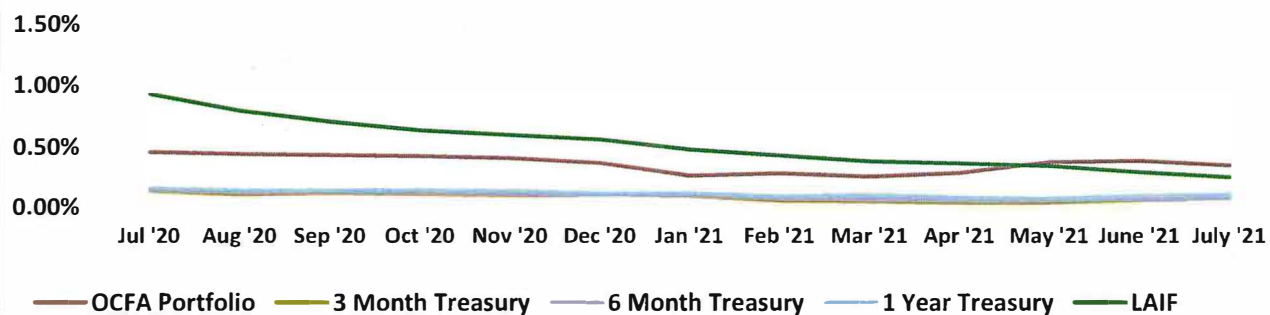
**Market Value \$182,201,732**



**Aging Summary**



**12 Month Benchmarks**





**BENCHMARK COMPARISON AS OF JULY 31, 2021**

|                 |       |                |       |
|-----------------|-------|----------------|-------|
| 3 Month T-Bill: | 0.05% | 1 Year T-Bill: | 0.08% |
| 6 Month T-Bill: | 0.05% | LAIF:          | 0.22% |
| OCFA Portfolio: |       | 0.32%          |       |

**PORTFOLIO SIZE, YIELD, & DURATION**

|                             | <u>Current Month</u> | <u>Prior Month</u> | <u>Prior Year</u> |
|-----------------------------|----------------------|--------------------|-------------------|
| Book Value                  | \$182,004,316        | \$197,831,406      | \$172,131,134     |
| Yield to Maturity (365 day) | 0.37%                | 0.38%              | 0.53%             |
| Effective Rate of Return    | 0.32%                | 0.36%              | 0.45%             |
| Days to Maturity            | 32                   | 37                 | 30                |



# **ORANGE COUNTY FIRE AUTHORITY** **Portfolio Management** **Portfolio Summary** **July 31, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

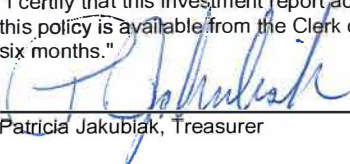
See Note 1 on page 10

See Note 2 on page 10

| Investments                          | Par Value             | Market Value          | Book Value            | % of Portfolio | Term       | Days to Mat./Call | YTM/Call 360 Equiv. | YTM/Call 365 Equiv. |
|--------------------------------------|-----------------------|-----------------------|-----------------------|----------------|------------|-------------------|---------------------|---------------------|
| Federal Agency Coupon Securities     | 81,450,000.00         | 81,445,654.25         | 81,452,619.01         | 46.16          | 1,318      | 54                | 0.580               | 0.588               |
| Federal Agency Disc. -Amortizing     | 22,000,000.00         | 21,998,720.00         | 21,999,422.24         | 12.47          | 123        | 54                | 0.015               | 0.015               |
| Local Agency Investment Funds        | 73,000,000.00         | 73,006,056.81         | 73,000,000.00         | 41.37          | 1          | 1                 | 0.218               | 0.221               |
|                                      | <b>176,450,000.00</b> | <b>176,450,431.06</b> | <b>176,452,041.25</b> | <b>100.00%</b> | <b>624</b> | <b>32</b>         | <b>0.360</b>        | <b>0.365</b>        |
| <b>Investments</b>                   |                       |                       |                       |                |            |                   |                     |                     |
| <b>Cash and Accrued Interest</b>     |                       |                       |                       |                |            |                   |                     |                     |
| Passbook/Checking                    | 5,749,865.54          | 5,749,865.54          | 5,749,865.54          |                | 1          | 1                 | 0.000               | 0.000               |
| (not included in yield calculations) |                       |                       |                       |                |            |                   |                     |                     |
| Accrued Interest at Purchase         |                       | 1,435.11              | 1,435.11              |                |            |                   |                     |                     |
| Subtotal                             |                       | 5,751,300.65          | 5,751,300.65          |                |            |                   |                     |                     |
| <b>Total Cash and Investments</b>    | <b>182,199,865.54</b> | <b>182,201,731.71</b> | <b>182,203,341.90</b> |                | <b>624</b> | <b>32</b>         | <b>0.360</b>        | <b>0.365</b>        |

| Total Earnings                  | July 31 Month Ending  | Fiscal Year To Date   |
|---------------------------------|-----------------------|-----------------------|
| Current Year                    | 52,301.60             | 52,301.60             |
| <b>Average Daily Balance</b>    | <b>189,494,758.39</b> | <b>189,494,758.39</b> |
| <b>Effective Rate of Return</b> | <b>0.32%</b>          | <b>0.32%</b>          |

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

  
 Patricia Jakubiak, Treasurer

8/6/21

**Cash and Investments with GASB 31 Adjustment:**

|   |                          |
|---|--------------------------|
| Book Value of Cash & Investments before GASB 31 (Above) | \$ 182,203,341.90        |
| GASB 31 Adjustment to Books (See Note 3 on page 10)     | \$ (199,026.23)          |
| <b>Total</b>  | <b>\$ 182,004,315.67</b> |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2021**

See Note 1 on page 10

See Note 2 on page 10

| CUSIP                                   | Investment # | Issuer  | Average<br>Balance    | Purchase<br>Date | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 Mat./Call | Days to<br>Mat./Call | Maturity<br>Date |
|---|--------------|---|-----------------------|------------------|-----------------------|-----------------------|-----------------------|----------------|---------------------------|----------------------|------------------|
| <b>Money Mkt Mutual Funds/Cash</b>      |              |   |                       |                  |                       |                       |                       |                |                           |                      |                  |
| SYS528                                  | 528          | Federated Treasury Obligations                |                       | 07/01/2021       | 0.00                  | 0.00                  | 0.00                  | 0.010          | 0.010                     | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>11,429,919.81</b>  |                  | <b>0.00</b>           | <b>0.00</b>           | <b>0.00</b>           |                | <b>0.000</b>              | <b>0</b>             |                  |
| <b>Federal Agency Coupon Securities</b> |              |   |                       |                  |                       |                       |                       |                |                           |                      |                  |
| 3133EMLE0                               | 1020         | Federal Farm Credit Bank (Continuous Call)    |                       | 12/23/2020       | 14,000,000.00         | 13,985,160.00         | 14,000,000.00         | 0.190          | 0.190                     | 0                    | 09/22/2023       |
| 3133EMWH1                               | 1030         | Federal Farm Credit Bank (Callable 4/21/2022) |                       | 04/22/2021       | 3,000,000.00          | 3,006,780.00          | 3,002,619.01          | 0.710          | 0.710                     | 263                  | 04/21/2025       |
| 3133EMXS6                               | 1032         | Federal Farm Credit Bank (Continuous Call)    |                       | 04/28/2021       | 12,000,000.00         | 11,995,800.00         | 12,000,000.00         | 0.720          | 0.720                     | 31                   | 04/28/2025       |
| 3130ALNY6                               | 1025         | Fed Home Loan Bank (Callable 9/30/2021)       |                       | 03/30/2021       | 8,000,000.00          | 8,000,160.00          | 8,000,000.00          | 0.550          | 0.822                     | 60                   | 09/30/2024       |
| 3130ALTJ3                               | 1029         | Fed Home Loan Bank (Callable 10/8/2021)       |                       | 04/22/2021       | 9,435,000.00          | 9,436,037.85          | 9,435,000.00          | 0.375          | 0.375                     | 68                   | 04/08/2024       |
| 3130ALVR2                               | 1031         | Fed Home Loan Bank (Callable 10/23/2021)      |                       | 04/23/2021       | 11,015,000.00         | 11,012,356.40         | 11,015,000.00         | 0.520          | 0.520                     | 83                   | 10/23/2024       |
| 3130AM6P2                               | 1034         | Fed Home Loan Bank (Callable 10/29/2021)      |                       | 04/29/2021       | 12,000,000.00         | 12,007,800.00         | 12,000,000.00         | 1.000          | 1.000                     | 89                   | 04/29/2026       |
| 3130AM6H0                               | 1035         | Fed Home Loan Bank (Callable 8/11/2021)       |                       | 05/11/2021       | 12,000,000.00         | 12,001,560.00         | 12,000,000.00         | 0.550          | 0.550                     | 10                   | 10/11/2024       |
| <b>Subtotal and Average</b>             |              |   | <b>81,452,646.43</b>  |                  | <b>81,450,000.00</b>  | <b>81,445,654.25</b>  | <b>81,452,619.01</b>  |                | <b>0.588</b>              | <b>54</b>            |                  |
| <b>Federal Agency Disc. -Amortizing</b> |              |   |                       |                  |                       |                       |                       |                |                           |                      |                  |
| 313313NC8                               | 1036         | Federal Farm Credit Bank                      |                       | 05/21/2021       | 12,000,000.00         | 11,998,920.00         | 11,999,480.02         | 0.020          | 0.021                     | 78                   | 10/18/2021       |
| 313385KY1                               | 1037         | Fed Home Loan Bank                            |                       | 05/28/2021       | 10,000,000.00         | 9,999,800.00          | 9,999,942.22          | 0.008          | 0.008                     | 26                   | 08/27/2021       |
| <b>Subtotal and Average</b>             |              |   | <b>21,999,288.91</b>  |                  | <b>22,000,000.00</b>  | <b>21,998,720.00</b>  | <b>21,999,422.24</b>  |                | <b>0.015</b>              | <b>54</b>            |                  |
| <b>Local Agency Investment Funds</b>    |              |   |                       |                  |                       |                       |                       |                |                           |                      |                  |
| SYS336                                  | 336          | Local Agency Invstmt Fund                     |                       |                  | 73,000,000.00         | 73,006,056.81         | 73,000,000.00         | 0.221          | 0.221                     | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>74,612,903.23</b>  |                  | <b>73,000,000.00</b>  | <b>73,006,056.81</b>  | <b>73,000,000.00</b>  |                | <b>0.221</b>              | <b>1</b>             |                  |
| <b>Total and Average</b>                |              |   | <b>189,494,758.39</b> |                  | <b>176,450,000.00</b> | <b>176,450,431.06</b> | <b>176,452,041.25</b> |                | <b>0.365</b>              | <b>32</b>            |                  |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**July 31, 2021**

|                             |              |                |                 |                              | See Note 1 on page 10 | See Note 2 on page 10 |                |             |           |                   |
|-----------------------------|--------------|----------------|-----------------|------------------------------|-----------------------|-----------------------|----------------|-------------|-----------|-------------------|
| CUSIP                       | Investment # | Issuer         | Average Balance | Purchase Date                | Par Value             | Market Value          | Book Value     | Stated Rate | YTM/C 365 | Days to Mat./Call |
| Money Mkt Mutual Funds/Cash |              |                |                 |                              |                       |                       |                |             |           |                   |
| SYS10033                    | 10033        | Revolving Fund |                 | 07/01/2021                   | 20,000.00             | 20,000.00             | 20,000.00      |             | 0.000     | 1                 |
| SYS4                        | 4            | Union Bank     |                 | 07/01/2021                   | 5,729,865.54          | 5,729,865.54          | 5,729,865.54   |             | 0.000     | 1                 |
| Average Balance             |              |                | 0.00            | Accrued Interest at Purchase |                       | 1,435.11              | 1,435.11       |             |           | 1                 |
|                             |              |                |                 | Subtotal                     |                       | 5,751,300.65          | 5,751,300.65   |             |           |                   |
| Total Cash and Investments  |              |                | 189,494,758.39  |                              | 182,199,865.54        | 182,201,731.71        | 182,203,341.90 |             | 0.365     | 32                |

Orange County Fire Authority

In Service of Others!



**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of August 1, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

Page 9

|                                     |                             |                |            | Maturity<br>Par Value | Percent<br>of Portfolio | Current<br>Book Value | Current<br>Market Value |
|-------------------------------------|-----------------------------|----------------|------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Aging Interval: 0 days              | ( 08/01/2021 - 08/01/2021 ) | 4 Maturities   | 0 Payments | 78,749,865.54         | 43.22%                  | 78,749,865.54         | 78,755,922.35           |
| Aging Interval: 1 - 30 days         | ( 08/02/2021 - 08/31/2021 ) | 1 Maturities   | 0 Payments | 10,000,000.00         | 5.49%                   | 9,999,942.22          | 9,999,800.00            |
| Aging Interval: 31 - 60 days        | ( 09/01/2021 - 09/30/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 61 - 90 days        | ( 10/01/2021 - 10/30/2021 ) | 1 Maturities   | 0 Payments | 12,000,000.00         | 6.59%                   | 11,999,480.02         | 11,998,920.00           |
| Aging Interval: 91 - 120 days       | ( 10/31/2021 - 11/29/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 121 - 365 days      | ( 11/30/2021 - 08/01/2022 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: 366 - 1095 days     | ( 08/02/2022 - 07/31/2024 ) | 2 Maturities   | 0 Payments | 23,435,000.00         | 12.85%                  | 23,435,000.00         | 23,421,197.85           |
| Aging Interval: 1096 days and after | ( 08/01/2024 - )            | 6 Maturities   | 0 Payments | 58,015,000.00         | 31.85%                  | 58,017,619.01         | 58,024,456.40           |
| Total for                           |                             | 14 Investments | 0 Payments |                       | 100.00                  | 182,201,906.79        | 182,200,296.60          |



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. The MUFG Union Bank (formerly Union Bank) Trust Department provides market values of the remaining investments.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2021 includes an increase of \$6,222.75 to the LAIF investment and a decrease of (\$205,248.98) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.



## ***Local Agency Investment Fund (LAIF)***

As of July 31, 2021, OCFA has \$73,000,000 invested in LAIF. The fair value of OCFA's LAIF investment is calculated using a participant fair value factor provided by LAIF on a quarterly basis. The fair value factor as of June 30, 2021 is 1.00008297. When applied to OCFA's LAIF investment, the fair value is \$73,006,057 or \$6,057 above cost. Although the fair value of the LAIF investment is higher than cost, OCFA can withdraw the actual amount invested at any time.

LAIF is included in the State Treasurer's Pooled Money Investment Account (PMIA) for investment purposes. The PMIA market valuation at July 31, 2021 is included on the following page.





|                                       |    |                    |
|---------------------------------------|----|--------------------|
| Fair Value Including Accrued Interest | \$ | 181,794,123,859.83 |
|---------------------------------------|----|--------------------|

Page 12



***Orange County Fire Authority***  
***Preliminary Investment Report***  
***August 20, 2021***



**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Summary**  
**August 20, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

See Note 1 on page 19

See Note 2 on page 19

| <b>Investments</b>               | <b>Par Value</b>      | <b>Market Value</b>   | <b>Book Value</b>     | <b>% of Portfolio</b> | <b>Term</b> | <b>Days to Mat./Call</b> | <b>YTM/Call 360 Equiv.</b> | <b>YTM/Call 365 Equiv.</b> |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------|--------------------------|----------------------------|----------------------------|
| Federal Agency Coupon Securities | 81,450,000.00         | 81,382,178.95         | 81,452,579.92         | 53.78                 | 1,318       | 53                       | 0.593                      | 0.601                      |
| Federal Agency Disc. -Amortizing | 22,000,000.00         | 21,999,280.00         | 21,999,600.02         | 14.53                 | 123         | 34                       | 0.015                      | 0.015                      |
| Local Agency Investment Funds    | 48,000,000.00         | 48,003,982.56         | 48,000,000.00         | 31.69                 | 1           | 1                        | 0.218                      | 0.221                      |
|                                  | <b>151,450,000.00</b> | <b>151,385,441.51</b> | <b>151,452,179.94</b> | <b>100.00%</b>        | <b>727</b>  | <b>34</b>                | <b>0.390</b>               | <b>0.396</b>               |

**Investments**

**Cash and Accrued Interest**

|   |                       |                       |                       |  |            |           |              |              |
|---|-----------------------|-----------------------|-----------------------|--|------------|-----------|--------------|--------------|
| Passbook/Checking<br>(not included in yield calculations) | 3,474,218.27          | 3,474,218.27          | 3,474,218.27          |  | 1          | 1         | 0.000        | 0.000        |
| Accrued Interest at Purchase                              |                       | 1,435.11              | 1,435.11              |  |            |           |              |              |
| <b>Subtotal</b>   |                       | <b>3,475,653.38</b>   | <b>3,475,653.38</b>   |  |            |           |              |              |
| <b>Total Cash and Investments</b>                         | <b>154,924,218.27</b> | <b>154,861,094.89</b> | <b>154,927,833.32</b> |  | <b>727</b> | <b>34</b> | <b>0.390</b> | <b>0.396</b> |

| <b>Total Earnings</b>           | <b>August 20 Month Ending</b> | <b>Fiscal Year To Date</b> |
|---------------------------------|-------------------------------|----------------------------|
| Current Year                    | 33,257.27                     | 85,558.87                  |
| <b>Average Daily Balance</b>    | <b>170,693,580.92</b>         | <b>182,121,747.61</b>      |
| <b>Effective Rate of Return</b> | <b>0.36%</b>                  | <b>0.34%</b>               |

"I certify that this investment report accurately reflects all pooled investments and is in compliance with the investment policy adopted by the Board of Directors to be effective on January 1, 2021. A copy of this policy is available from the Clerk of the Authority. Sufficient investment liquidity and anticipated revenues are available to meet budgeted expenditure requirements for the next thirty days and the next six months."

Patricia Jakubiak, Treasurer

**Cash and Investments with GASB 31 Adjustment:**

|   |                          |
|---|--------------------------|
| Book Value of Cash & Investments before GASB 31 (Above) | \$ 154,927,833.32        |
| GASB 31 Adjustment to Books (See Note 3 on page 19)     | \$ (199,026.23)          |
| <b>Total</b>  | <b>\$ 154,728,807.09</b> |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**August 20, 2021**

See Note 1 on page 19

See Note 2 on page 19

| CUSIP                                   | Investment # | Issuer  | Average<br>Balance    | Purchase<br>Date | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/Call<br>365 | Days to<br>Mat./Call | Maturity<br>Date |
|---|--------------|---|-----------------------|------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------|----------------------|------------------|
| <b>Money Mkt Mutual Funds/Cash</b>      |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS528                                  | 528          | Federated Treasury Obligations                |                       | 07/01/2021       | 0.00                  | 0.00                  | 0.00                  | 0.010          | 0.010           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>3,391,466.86</b>   |                  | <b>0.00</b>           | <b>0.00</b>           | <b>0.00</b>           |                | <b>0.000</b>    | <b>0</b>             |                  |
| <b>Federal Agency Coupon Securities</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 3133EMLE0                               | 1020         | Federal Farm Credit Bank (Continuous Call)    |                       | 12/23/2020       | 14,000,000.00         | 13,982,220.00         | 14,000,000.00         | 0.190          | 0.190           | 11                   | 09/22/2023       |
| 3133EMWH1                               | 1030         | Federal Farm Credit Bank (Callable 4/21/2022) |                       | 04/22/2021       | 3,000,000.00          | 3,002,340.00          | 3,002,579.92          | 0.710          | 0.710           | 243                  | 04/21/2025       |
| 3133EMXS6                               | 1032         | Federal Farm Credit Bank (Continuous Call)    |                       | 04/28/2021       | 12,000,000.00         | 11,988,120.00         | 12,000,000.00         | 0.720          | 0.720           | 11                   | 04/28/2025       |
| 3130ALNY6                               | 1025         | Fed Home Loan Bank (Callable 9/30/2021)       |                       | 03/30/2021       | 8,000,000.00          | 7,995,840.00          | 8,000,000.00          | 0.550          | 0.822           | 40                   | 09/30/2024       |
| 3130ALTJ3                               | 1029         | Fed Home Loan Bank (Callable 10/8/2021)       |                       | 04/22/2021       | 9,435,000.00          | 9,425,565.00          | 9,435,000.00          | 0.375          | 0.375           | 48                   | 04/08/2024       |
| 3130ALVR2                               | 1031         | Fed Home Loan Bank (Callable 10/23/2021)      |                       | 04/23/2021       | 11,015,000.00         | 11,003,213.95         | 11,015,000.00         | 0.520          | 0.520           | 63                   | 10/23/2024       |
| 3130AM6P2                               | 1034         | Fed Home Loan Bank (Callable 10/29/2021)      |                       | 04/29/2021       | 12,000,000.00         | 11,995,920.00         | 12,000,000.00         | 1.000          | 1.000           | 69                   | 04/29/2026       |
| 3130AM6H0                               | 1035         | Fed Home Loan Bank (Callable 11/11/2021)      |                       | 05/11/2021       | 12,000,000.00         | 11,988,960.00         | 12,000,000.00         | 0.550          | 0.641           | 82                   | 10/11/2024       |
| <b>Subtotal and Average</b>             |              |   | <b>81,452,598.48</b>  |                  | <b>81,450,000.00</b>  | <b>81,382,178.95</b>  | <b>81,452,579.92</b>  |                | <b>0.601</b>    | <b>53</b>            |                  |
| <b>Federal Agency Disc. -Amortizing</b> |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| 313313NC8                               | 1036         | Federal Farm Credit Bank                      |                       | 05/21/2021       | 12,000,000.00         | 11,999,280.00         | 11,999,613.35         | 0.020          | 0.021           | 58                   | 10/18/2021       |
| 313385KY1                               | 1037         | Fed Home Loan Bank                            |                       | 05/28/2021       | 10,000,000.00         | 10,000,000.00         | 9,999,986.67          | 0.008          | 0.008           | 6                    | 08/27/2021       |
| <b>Subtotal and Average</b>             |              |   | <b>21,999,515.57</b>  |                  | <b>22,000,000.00</b>  | <b>21,999,280.00</b>  | <b>21,999,600.02</b>  |                | <b>0.015</b>    | <b>34</b>            |                  |
| <b>Local Agency Investment Funds</b>    |              |   |                       |                  |                       |                       |                       |                |                 |                      |                  |
| SYS336                                  | 336          | Local Agency Invstm Fund                      |                       |                  | 48,000,000.00         | 48,003,982.56         | 48,000,000.00         | 0.221          | 0.221           | 1                    |                  |
| <b>Subtotal and Average</b>             |              |   | <b>63,850,000.00</b>  |                  | <b>48,000,000.00</b>  | <b>48,003,982.56</b>  | <b>48,000,000.00</b>  |                | <b>0.221</b>    | <b>1</b>             |                  |
| <b>Total and Average</b>                |              |   | <b>170,693,580.92</b> |                  | <b>151,450,000.00</b> | <b>151,385,441.51</b> | <b>151,452,179.94</b> |                | <b>0.396</b>    | <b>34</b>            |                  |

**ORANGE COUNTY FIRE AUTHORITY**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**August 20, 2021**

| CUSIP                              | Investment # | Issuer         | Average<br>Balance    | Purchase<br>Date             | Par Value             | Market Value          | Book Value            | Stated<br>Rate | YTM/C<br>365 | Days to<br>Mat./Call |
|------------------------------------|--------------|----------------|-----------------------|------------------------------|-----------------------|-----------------------|-----------------------|----------------|--------------|----------------------|
| <b>Money Mkt Mutual Funds/Cash</b> |              |                |                       |                              |                       |                       |                       |                |              |                      |
| SYS10033                           | 10033        | Revolving Fund |                       | 07/01/2021                   | 20,000.00             | 20,000.00             | 20,000.00             |                | 0.000        | 1                    |
| SYS4                               | 4            | Union Bank     |                       | 07/01/2021                   | 3,454,218.27          | 3,454,218.27          | 3,454,218.27          |                | 0.000        | 1                    |
| <b>Average Balance</b>             |              |                | <b>0.00</b>           | Accrued Interest at Purchase |                       | 1,435.11              | 1,435.11              |                |              | <b>1</b>             |
|                                    |              |                |                       | Subtotal                     |                       | 3,475,653.38          | 3,475,653.38          |                |              |                      |
| <b>Total Cash and Investments</b>  |              |                | <b>170,693,580.92</b> |                              | <b>154,924,218.27</b> | <b>154,861,094.89</b> | <b>154,927,833.32</b> |                | <b>0.396</b> | <b>34</b>            |

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**ORANGE COUNTY FIRE AUTHORITY**  
**Aging Report**  
**By Maturity Date**  
**As of August 21, 2021**

Orange County Fire Authority  
 1 Fire Authority Road  
 Irvine, CA 92602  
 (714)573-6301

|                 |                     |                             |                |            | Maturity<br>Par Value | Percent<br>of Portfolio | Current<br>Book Value | Current<br>Market Value |
|-----------------|---------------------|-----------------------------|----------------|------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Aging Interval: | 0 days              | ( 08/21/2021 - 08/21/2021 ) | 4 Maturities   | 0 Payments | 51,474,218.27         | 33.24%                  | 51,474,218.27         | 51,478,200.83           |
| Aging Interval: | 1 - 30 days         | ( 08/22/2021 - 09/20/2021 ) | 1 Maturities   | 0 Payments | 10,000,000.00         | 6.46%                   | 9,999,986.67          | 10,000,000.00           |
| Aging Interval: | 31 - 60 days        | ( 09/21/2021 - 10/20/2021 ) | 1 Maturities   | 0 Payments | 12,000,000.00         | 7.75%                   | 11,999,613.35         | 11,999,280.00           |
| Aging Interval: | 61 - 90 days        | ( 10/21/2021 - 11/19/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 91 - 120 days       | ( 11/20/2021 - 12/19/2021 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 121 - 365 days      | ( 12/20/2021 - 08/21/2022 ) | 0 Maturities   | 0 Payments | 0.00                  | 0.00%                   | 0.00                  | 0.00                    |
| Aging Interval: | 366 - 1095 days     | ( 08/22/2022 - 08/20/2024 ) | 2 Maturities   | 0 Payments | 23,435,000.00         | 15.12%                  | 23,435,000.00         | 23,407,785.00           |
| Aging Interval: | 1096 days and after | ( 08/21/2024 - )            | 6 Maturities   | 0 Payments | 58,015,000.00         | 37.44%                  | 58,017,579.92         | 57,974,393.95           |
| Total for       |                     |                             | 14 Investments | 0 Payments |                       | 100.00                  | 154,926,398.21        | 154,859,659.78          |



**NOTES TO PORTFOLIO MANAGEMENT REPORT**

- Note 1: Market value of the LAIF investment is calculated using a fair value factor provided by LAIF. Market value of the remaining investments is provided by U.S. Bank.
- Note 2: Book value reflects the cost or amortized cost before the GASB 31 accounting adjustment.
- Note 3: GASB 31 requires governmental entities to report investments at fair value in the financial statements and to reflect the corresponding unrealized gains/ (losses) as a component of investment income. The GASB 31 adjustment is recorded only at fiscal year-end. The adjustment for June 30, 2021 includes an increase of \$6,222.75 to the LAIF investment and a decrease of (\$205,248.98) to the remaining investments.
- Note 4: The Federated Treasury Obligations money market mutual fund functions as the Authority's sweep account. Funds are transferred to and from the sweep account to/from OCFA's checking account in order to maintain a target balance of \$1,000,000 in checking. Since this transfer occurs at the beginning of each banking day, the checking account sometimes reflects a negative balance at the close of the banking day. The negative closing balance is not considered an overdraft since funds are available in the money market mutual fund. The purpose of the sweep arrangement is to provide sufficient liquidity to cover outstanding checks yet allow that liquidity to be invested while payment of the outstanding checks is pending.



## GLOSSARY

### INVESTMENT TERMS

**Basis Point.** Measure used in quoting yields on bonds and notes. One basis point is .01% of yield.

**Book Value.** This value may be the original cost of acquisition of the security, or original cost adjusted by the amortization of a premium or accretion of a discount. The book value may differ significantly from the security's current value in the market.

**Commercial Paper.** Unsecured short-term promissory notes issued by corporations, with maturities ranging from 2 to 270 days; may be sold on a discount basis or may bear interest.

**Coupon Rate.** Interest rate, expressed as a percentage of par or face value, that issuer promises to pay over lifetime of debt security.

**Discount.** The amount by which a bond sells under its par (face) value.

**Discount Securities.** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity. Treasury bills, bankers' acceptances and most commercial paper are issued at a discount.

**Effective Rate of Return.** Rate of return on a security, based on its purchase price, coupon rate, maturity date, and the period between interest payments.

**Federal Agency Securities.** Securities issued by agencies such as the Federal National Mortgage Association and the Federal Farm Credit Bank. Though not general obligations of the US Treasury, such securities are sponsored by the government and therefore have high credit ratings. Some are issued on a discount basis and some are issued with coupons.

**Federal Funds.** Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed Funds are considered to be immediately available funds.

**Fed Funds Rate.** The interest rate charged by one institution lending federal funds to another.

**Federal Open Market Committee.** The branch of the Federal Reserve Board that determines the direction of monetary policy.

**Local Agency Investment Fund (LAIF).** A California State Treasury fund which local agencies may use to deposit funds for investment and for reinvestment with a maximum of \$75 million for any agency (*excluding bond funds, which have no maximum*). It offers high liquidity because

deposits can be converted to cash in 24 hours and no interest is lost. Interest is paid quarterly and the State's administrative fee cannot to exceed 1/4 of a percent of the earnings.

**Market value.** The price at which the security is trading and could presumably be purchased or sold.

**Maturity Date.** The specified day on which the issuer of a debt security is obligated to repay the principal amount or face value of security.

**Money Market Mutual Fund.** Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repurchase agreements and federal funds).

**Par.** Face value or principal value of a bond typically \$1,000 per bond.

**Rate of Return.** The amount of income received from an investment, expressed as a percentage. A *market rate of return* is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**Treasury Bills.** Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes.** Intermediate U.S. government debt securities with maturities of one to 10 years.

**Treasury bonds.** Long-term U.S. government debt securities with maturities of 10 years or longer.

**Yield.** Rate of return on a bond.

**Yield-to-maturity.** Rate of return on a bond taking into account the total annual interest payments, the purchase price, the redemption value and the amount of time remaining until maturity.

## ECONOMIC TERMS

**Conference Board Consumer Confidence Index.** A survey that measures how optimistic or pessimistic consumers are with respect to the economy in the near future.

**Consumer Price Index (CPI).** A measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. Changes in CPI are used to assess price changes associated with the cost of living.

**Durable Goods Orders.** An economic indicator released monthly that reflects new orders placed with domestic manufacturers for delivery of factory durable goods such as autos and appliances in the near term or future.

**Gross Domestic Product.** The monetary value of all the finished goods and services produced within a country's borders in a specific time period. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

**Industrial Production.** An economic indicator that is released monthly by the Federal Reserve Board. The indicator measures the amount of output from the manufacturing, mining, electric and gas industries.

**ISM Institute for Supply Management (ISM) Manufacturing Index.** A monthly index that monitors employment, production inventories, new orders and supplier deliveries.

**ISM Non-manufacturing Index.** An index based on surveys of non-manufacturing firms' purchasing and supply executives. It tracks economic data for the service sector.

**Leading Economic Index.** A monthly index used to predict the direction of the economy's movements in the months to come. The index is made up of 10 economic components, whose changes tend to precede changes in the overall economy.

**National Federation of Independent Business Small Business Optimism Index.** An index based on surveys of small business owners' plans and expectations regarding employment, capital, inventories, economic improvement, credit conditions, expansion, and earnings trends in the near term or future.

**Producer Price Index.** An index that measures the average change over time in the selling prices received by domestic producers for their output.

**University of Michigan Consumer Sentiment Index.** An index that measures the overall health of the economy as determined by consumer opinion. It takes into account an individual's feelings toward his or her own current financial health, the health of the economy in the short term and the prospects for longer term economic growth.



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 2C**  
**Consent Calendar**

**Fourth Quarter Financial Newsletter**

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**Contact(s) for Further Information**

|  |  |              |
|--|--|--------------|
| Robert Cortez, Assistant Chief<br>Business Services Department | <a href="mailto:robertcortez@ocfa.org">robertcortez@ocfa.org</a>     | 714.573.6012 |
| Tricia Jakubiak, Treasurer<br>Treasury & Financial Planning    | <a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a> | 714.573.6301 |
| Stuart Lam, Budget Manager<br>Treasury & Financial Planning    | <a href="mailto:stuartlam@ocfa.org">stuartlam@ocfa.org</a>           | 714.573.6302 |

**Summary**

This routine agenda item is submitted to provide information regarding revenues and expenditures in the General Fund and the Capital Improvement Program Funds through the preliminary close of FY 2020/21.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Review the proposed agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

The Quarterly Financial Newsletter provides information about the General Fund's top five revenue sources as well as expenditures by department and by type. Revenues and expenditures for the Capital Improvement Program (CIP) funds are also included. Revenues and expenditures for the General and CIP Funds through the close of the fiscal year are within budgetary estimates, except where noted in the attached newsletter.

**Attachment(s)**

Fourth Quarter Financial Newsletter – July 2020 to June 2021

# 4th Quarter July 2020 to June 2021

# Financial Newsletter

## Summary

The Quarterly Financial Newsletter provides summary level information regarding the General Fund (GF) operating budget and Capital Improvement Program (CIP) budget to highlight revenue and expenditure trends and areas of note.

With the close of the fiscal year, General Fund actual revenues and expenditures are within budget. As of the end of the 4th quarter, OCFA received 97.4% of budgeted revenues and expended 96.4% of appropriations.

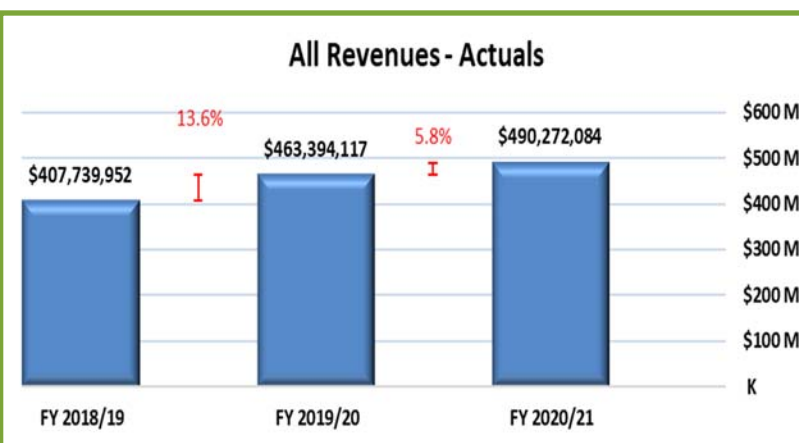
The OCFA expended 49.8% of the GF CIP, 14.9% of Fire Stations & Facilities, 22.4% of Comm. & Info. Systems, and 28.3% of the Fire Apparatus budgets. CIP projects not yet completed are anticipated to be rebudgeted to FY 2021/22.

For additional info, see attached newsletter.



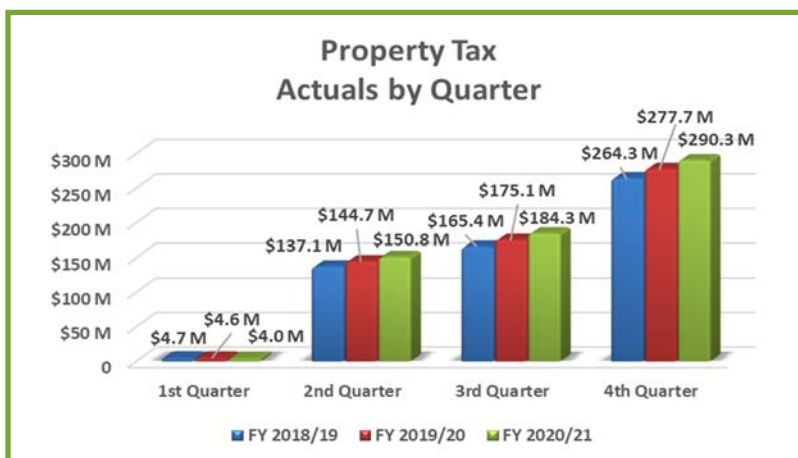
## General Fund

**REVENUES** - General Fund revenues received in FY 2020/21 amounted to \$490.3 million, approximately 5.8% higher than the prior year. The increase is primarily due

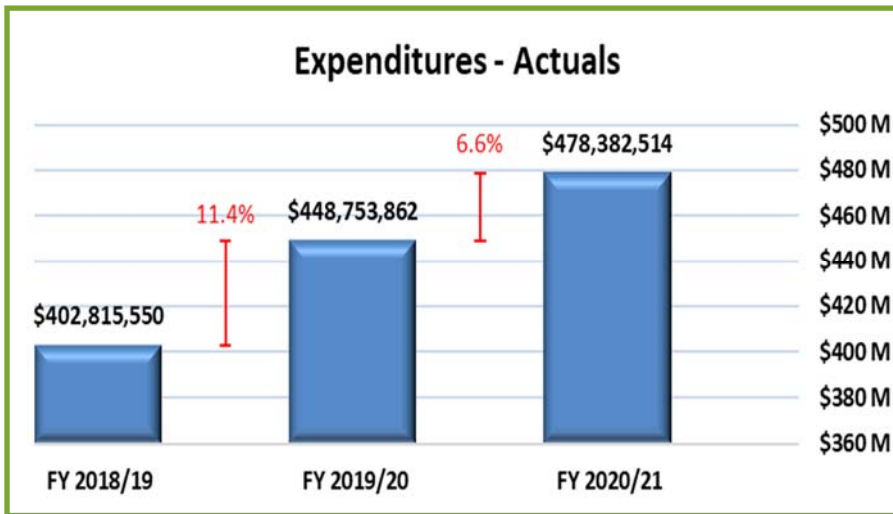


to higher assistance by hire reimbursement revenue stemming from a higher number of significant emergency incidents this year as well as higher secured property tax revenue. Overall General Fund

revenue receipts met expectations. Actual property tax revenue of \$290.3 million increased 4.5% or \$12.6 million over the prior year primarily due to growth in secured property tax. Secured property tax growth has been driven by residential price appreciation and new construction throughout the County.



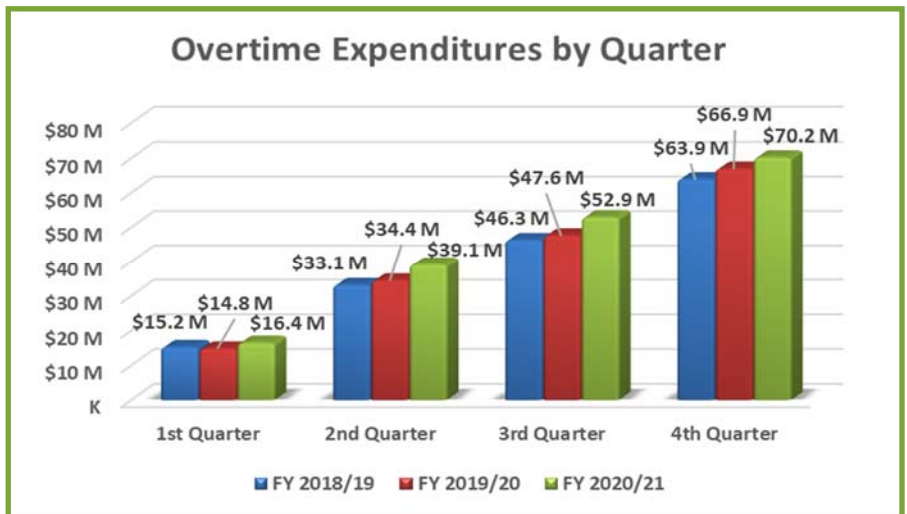
**EXPENDITURES** — General Fund expenditures through the 4th quarter amounted to \$478.4 million and reflect an increase of 6.6% when compared to the prior fiscal year. The increase in expenditures over the



prior year was driven by overtime due to OCFA's response to significant fire incidents and the COVID-19 vaccine distribution efforts as well as MOU changes resulting in increased pay for Firefighters and Chief Officers. Overall expenditures were \$18.0 million less than the budget of \$496.4 million. Much of the unspent expenditure budget is related to multi-year grant and QRF Program funds that are anticipated to be rebudgeted into FY

2021/22.

The following Overtime Expenditures by Quarter chart captures historical cumulative overtime expenditures from fiscal year 2018/19 through the 4th quarter of fiscal year 2020/21. Actual overtime expenditures were 4.9% or \$3.3 million higher than last year. Overtime expenses increased this year due to emergency incidents and COVID-19 vaccine distribution. Major incidents include the Apple, August Complex, Blue Ridge, Bond, Castle, Deer, Lake, LNU Lightning Complex, SCU Lightning Complex, and Silverado Canyon fires. These emergency incident overtime expenditures are reimbursable. Open Position overtime, used to fill vacancies in the firefighter ranks, is also contributing to the higher backfill/overtime expenditures. This category of overtime is typically offset by vacancy savings.



*We hope you have found this summary information illustrative and useful. Additional detailed information is included in following Newsletter pages, including progress for each of the CIP funds.*





# Orange County Fire Authority

## Fourth Quarter Financial Newsletter – July 2020 to June 2021

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### **OVERVIEW**

This report covers fiscal activities in the General Fund and CIP Funds through the fourth quarter and preliminary close of Fiscal Year 2020/21. Budget figures include all budget adjustments authorized by the Board through the end of the fiscal year.

### **GENERAL FUND**

With 100% of the year completed, General Fund revenues are 97.4% of budget and expenditures are 96.4% as shown below:

| General Fund (excludes 12110) | YTD Actual  | Budget      | Variance in Dollars | %<br>Variance |
|-------------------------------|-------------|-------------|---------------------|---------------|
| Revenues                      | 490,272,084 | 503,139,347 | 12,867,263          | 97.4%         |
| Expenditures                  | 478,382,514 | 496,378,340 | 17,995,826          | 96.4%         |

**Top Five Revenues.** The analysis presented below compares the five largest revenue categories received through the fourth quarter versus the budget for the fiscal year. Categories in which the variance is greater than 10% or \$1 million, are discussed below the table.

| Top Five Revenues             | YTD Actual<br>Receipts | Budget             | Variance: Actual<br>to Budget Est. in<br>Dollars | %<br>Variance |
|-------------------------------|------------------------|--------------------|--|---------------|
| Property Taxes                | 290,310,885            | 287,967,482        | 2,343,403  | 1%            |
| Cash Contracts                | 128,394,204            | 126,806,614        | 1,587,590  | 1%            |
| State Reimbursements          | 36,981,168             | 43,264,931         | (6,283,763)                                      | -15%          |
| CRA Pass-through              | 16,076,138             | 16,675,511         | (599,373)  | -4%           |
| Community Risk Reduction Fees | 4,099,675              | 3,631,900          | 467,775  | 13%           |
| <b>Total</b>                  | <b>475,862,070</b>     | <b>478,346,438</b> | <b>(2,484,368)</b>                               | <b>-1%</b>    |

- **Property Taxes** – The variance in property taxes of \$2.3 million or 1% is a result of higher property tax revenue for FY 2020/21 than anticipated, primarily in the secured and unsecured property tax categories. The secured category exceeded budget by \$1.2 million and the unsecured category exceeded by \$653K. Also coming in higher than anticipated was supplemental by \$273K, delinquent supplemental by \$149K, prior unsecured by \$44K and homeowner property tax relief by \$10K.
- **Cash Contracts** –Cash Contracts revenue exceeded budget due to unanticipated one-time workers’ compensation reimbursements that were received in Q4. During this reporting period, Santa Ana had more claim activity that met the criteria for reimbursement including presumptive cases. These reimbursements are for workers’ compensation expenditures for OCFA firefighters that are former employees of Santa Ana that are the responsibility of the city.

- **State Reimbursements** –This revenue line includes grant revenues which are reimbursable, meaning revenues are recognized as allowable expenses are incurred. The majority of the variance is due to the CalFire grant for Invasive Tree Pest Mitigation and Fuels Reduction, of which only a small amount (\$573K) was spent and therefore received as revenue. Delays working with homeowners and outside specialists due to COVID and CEQA process delays contributed to lower than normal expenditures. This program is designed to be a multi-year effort, with the full amount budgeted when the grant was approved by the Board of Directors, and the balance carried over from year-to-year until it is fully expended/reimbursed. Remaining State Reimbursements revenue budget of \$5.8 million will be included in the Carryover of FY 2020/21 into FY 2021/22.
- **Community Risk Reduction Fees** – Estimated CRR Revenue was decreased as part of the mid-year budget adjustment due to the ongoing COVID-19 impact and a reduced number of inspections. However, revenue came in higher than anticipated due to increased activity in the 4<sup>th</sup> Quarter.

**Expenditures.** The analysis presented below compares the actual expenditures through the fourth quarter versus the budget for the fiscal year. Categories in which the variance is greater than 10% or \$1 million, are discussed below the table.

| Expenditures by Department   | YTD Actual Expenditures | Budget             | Variance: Actual to Budget in Dollars | % Variance |
|------------------------------|-------------------------|--------------------|---------------------------------------|------------|
| Business Services            | 26,993,385              | 28,097,566         | (1,104,181)                           | -4%        |
| Command & Emergency Planning | 9,493,887               | 8,974,823          | 519,064                               | 6%         |
| Community Risk Reduction     | 16,005,766              | 20,274,249         | (4,268,483)                           | -21%       |
| EMS & Training               | 12,565,008              | 14,066,237         | (1,501,229)                           | -11%       |
| Executive Management         | 18,621,559              | 19,456,925         | (835,366)                             | -4%        |
| Human Resources              | 8,319,242               | 9,073,871          | (754,629)                             | -8%        |
| Logistics                    | 36,096,572              | 35,306,573         | 789,999                               | 2%         |
| Operations                   | 330,623,650             | 329,379,251        | 1,244,399                             | 0%         |
| Special Operations           | 19,663,446              | 31,748,845         | (12,085,399)                          | -38%       |
| <b>Total</b>                 | <b>478,382,514</b>      | <b>496,378,340</b> | <b>(17,995,826)</b>                   | <b>-4%</b> |

*Totals may not equal the sum of components, or Authority-wide totals, due to rounding*

- **Business Services** – This department ended the year with a significant balance in S&EB due to several vacancies that remained unfilled as a result of recruitment process delays due to COVID-19. The vast majority of these vacancies have since been filled.
- **Community Risk Reduction** – The balance is due to the CalFire Tree Pest Mitigation Grant Program, of which only a small amount (\$573K) was expended in FY 2020/21. Delays working with homeowners and outside specialists due to COVID and CEQA process delays contributed to lower than normal expenditures. This program is designed to be a multi-year effort, with the full amount budgeted when the grant was approved by the Board of Directors, and the balance carried over from year-to-year until it is fully expended. The balance of the grant will be included in the Carryover of FY 2020/21 into FY 2021/22.



- **EMS & Training** – The majority of the year-end balance is due to the AFG/Fire Ground Survival (FGS) Program funds, of which only a small portion was expended in FY 2020/21. The program is a multi-year effort that was restarted towards the end of FY 2020/21 so expenses were minimal. The FGS Program is scheduled to be completed in FY 2021/22 and will be included in the Carryover of FY 2020/21 into FY 2021/22.
- **Operations** – This department’s expenditures exceeded budget by \$1.2 million primarily due to an S&EB overage of \$1.4 million offset by small savings of \$208K in Services & Supplies. Higher than anticipated backfill/overtime expenditures tied to incident responses contributed to the S&EB variance. Major incidents in FY 2020/21 include the Apple, August Complex, Blue Ridge, Bond, Castle, Deer, Lake, LNU Lightning Complex, SCU Lightning Complex, and Silverado Canyon fires. Higher open position overtime, used to fill vacancies in the firefighter ranks, is also contributing to the variance.
- **Special Operations** – The positive variance of \$12.1 million in Special Operations is driven by \$9.5 million of S&S savings and \$1.7 million of Equipment savings, primarily in restricted funds. Budget for the Quick Reaction Force (QRF) was adopted by the Board in April 2021 with a start date of June 15, 2021. Of the \$9.4 million QRF budget, only \$850K of expenses were incurred in FY 2020/21. Variance of non-restricted funds within Special Operations totaled \$955K between S&EB, S&S, and Equipment.

Expenditures by type are outlined below, with exception details following the table:

| Expenditures by Type         | YTD Actual Expenditures | Budget             | Variance: Actual to Budget in Dollars | % Variance |
|------------------------------|-------------------------|--------------------|---------------------------------------|------------|
| Salary and Employee Benefits | 427,028,538             | 427,395,216        | (366,678)                             | 0%         |
| Services and Supplies        | 50,646,716              | 66,490,156         | (15,843,440)                          | -24%       |
| Equipment                    | 707,260                 | 2,492,968          | (1,785,708)                           | -72%       |
| <b>Total</b>                 | <b>478,382,514</b>      | <b>496,378,340</b> | <b>(17,995,826)</b>                   | <b>-4%</b> |

- **Services and Supplies** – Actual expenditures finished approximately \$15.8 million or 24% under budget through the close of the fiscal year. Approximately \$15.2 million in services and supplies expenditures related to grants and the QRF program are anticipated to be included in the Carryover request to fiscal year 2021/22.
- **Equipment** – This category is under budget by 72% or approximately \$1.8 million. This is primarily due to CalFire Augmentation, CalFire Greenhouse Gas Reduction, and US&R grant funded equipment that has not yet been purchased. Upon grant acceptance, OCFA budgets the entire grant amount upfront and will carryover remaining funds to the following fiscal year when grant funded programs span multiple fiscal years. The unspent grant funds are anticipated to be used to purchase equipment next fiscal year and will be included in the FY 2021/22 Carryover request.

## **CIP FUNDS**

Revenues and expenditures for the Capital Improvement Program funds are summarized below. Any variances are noted following the fund table:

### **General Fund CIP**

| Fund 12110   | YTD Actual | Budget     | Percent |
|--------------|------------|------------|---------|
| Expenditures | 6,129,159  | 12,301,121 | 49.8%   |

- This Fund receives transfers from the General Fund as its revenue source.
- Appropriations of \$12.3 million include funding for upgrades, routine maintenance and replacement of equipment such as: enterprise phone/public address system upgrade, fire station bathroom inclusive facilities projects, dormitory privacy (FS 41 and FS 53), kitchen, flooring and/or bathroom remodels (FS 41, FS 26 and FS 6), thermal imaging cameras, telephone/alarm system upgrade, data network upgrades, replacement of PCs, laptops, tablets, printers, 800 MHz radios, VHF radios, WMD protective suits/respirator canisters, RFOTC uninterruptible power system, mobile data computer system, body armor replacement, high pressure airbags, duo-dote auto-injectors, fire shelters, and installation of SCBA bottle filling stations.
- Expenditures of approximately \$6.1 million are attributable to the thermal imaging cameras, fire station telephone/alarm/sound system upgrade, data network upgrades, replacement PCs, tablets and printers, VHF radios, 800 MHz radios, station bathroom inclusive facilities projects, mobile data computer system, body armor replacement, and various IT and Property Management projects described above.

### **Fire Stations and Facilities**

| Fund 123     | YTD Actual | Budget    | Percent |
|--------------|------------|-----------|---------|
| Revenue      | 1,370,785  | 1,288,613 | 106.4%  |
| Expenditures | 1,280,427  | 8,565,810 | 14.9%   |

- Revenues in this fund are attributable to interest earned through the fourth quarter and developer contributions of \$1.3 million.
- Appropriations of \$8.6 million include funding for RFOTC training grounds expansion and upgrade, infrastructure security enhancements, replacement of FS 10 and FS 24, FS 49 apparatus bay floor reconstruction, retrofit of existing fire station life and safety systems, and fire station bathroom improvements.
- Expenditures of approximately \$1.3 million are primarily attributable to RFOTC training ground expansion and upgrade, infrastructure security enhancements and replacement of FS 10.

## Communications & Information Systems

| Fund 124     | YTD Actual | Budget    | Percent |
|--------------|------------|-----------|---------|
| Revenue      | 3,385      | 15,562    | 21.8%   |
| Expenditures | 1,100,834  | 4,922,093 | 22.4%   |

- Revenues in this fund are attributable to interest earned through the fourth quarter.
- Appropriations of \$4.9 million include funding for: CRR automation/IFP replacement, RFOTC data center fire suppression system upgrade, disaster recovery co-location facility, EMS enterprise system development, enterprise audio video equipment upgrades, incident reporting application replacement, theHIVE cloud upgrade, next generation CAD2CAD, and EMS immunization tracking.
- Year to date expenditures of \$1.1 million are primarily attributable to the progress on the CRR automation/IFP replacement, disaster recovery co-location facility, EMS immunization tracking, next generation CAD2CAD, and enterprise audio video equipment upgrades.

## Fire Apparatus

| Fund 133     | YTD Actual | Budget     | Percent |
|--------------|------------|------------|---------|
| Revenue      | 1,665,618  | 1,687,379  | 98.7%   |
| Expenditures | 4,435,944  | 15,671,698 | 28.3%   |

- Revenues in this fund are attributable to vehicle replacement program payments from cash contract cities and interest earned through the fourth quarter.
- Appropriations of \$15.7 million include vehicle outfitting, 5 100' quint trucks, 2 HazMat vehicles, a heavy rescue vehicle, 10 vans, 7 utility pickups, 2 light service trucks, 9 mid-size pickups, a US&R support vehicle, 2 squad vehicles, 3 full-size SUVs, a superintendent vehicle, and other miscellaneous emergency and support vehicles.
- Expenditures through the fourth quarter include a HazMat vehicles, heavy rescue vehicle, mid-size pickups, utility pickups, full and mid-size SUVs, step and cargo vans, mid-size sedans, US&R support vehicle, quad ATV, and outfitting costs.

## **SUMMARY**

***For more information.*** This summary is based on detailed information from our financial system. If you would like more information or have any questions about the report, please contact Stuart Lam, Budget Manager at 714-573-6302, or Tricia Jakubiak, Treasurer at 714-573-6301.



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 2D**  
**Consent Calendar**

**Fourth Quarter Purchasing Report**

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**Contact(s) for Further Information**

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**Summary**

This routine agenda item is submitted to provide information regarding purchases made within management authority during the fourth quarter of FY 2020/21.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Purchasing Ordinance No. 008 (Ordinance) and the Roles/Responsibilities/Authorities Matrix (Matrix) provides the Chief Procurement Officer (Purchasing Manager) authority to enter into various types of agreements at varying amounts, provided that the contract results from a competitive solicitation. Furthermore, as per Section 1-20 Small Purchases provision of the Ordinance, any contract for the purchase of supplies, equipment, maintenance, and services not exceeding \$50,000 may be made by the Chief Procurement Officer in accordance with the small purchase procedures authorized in the Ordinance. For public works projects, the statutory threshold is established by the CA Public Contract Code at \$60,000.

The Quarterly Purchasing Report provides a list of all purchase orders and blanket orders entered into under the Purchasing Manager authority during the period of April 1, 2021, through June 30, 2021.

**Attachment(s)**

Fourth Quarter Purchasing Report – April 2021 to June 2021

### Purchasing Report 4th Quarter - FY 2020/21

- This report reflects all POs/BOs issued, including those that may have been cancelled or replaced by another PO or BO. These records will show as duplications in the report, but are in fact replacements.
- Amount column reflects the procurement value. Actual expenditures made against the contract may be lower.
- Vendor Name column display of "error" or the phrase "do not use" appears when a vendor has since changed their name or corporation status.
- PO/BO amounts of \$0 or \$.01 are often issued as place holders to record the terms and conditions of no-cost transactions, or may appear when the POs/BO balance is reduced to zero.

| Date     | PO/BO Number | Amount   | Department                   | Vendor Name                                | Description   | Formal IFB/RFP No. |
|----------|--------------|----------|------------------------------|--|---|--------------------|
| 4/1/2021 | B02207       | \$75,000 | Business Services Department | NIELSEN MERKSAMER PARRINELLO GROSS & LEONI | STATE LEGISLATIVE & REGULATORY CONSULTING SERVICES                                    | JA2481             |
| 4/1/2021 | P0014168     | \$27,540 | Logistics Department         | GEOCON WEST, INC.                          | GEOTECHNICAL ENGINEERING SERVICES FOR THE RFOTC TRAINING GROUNDS IMPROVEMENT PROJECT. | RO2362             |
| 4/1/2021 | B01944-2     | \$29,000 | Logistics Department         | CONWAY SHIELD                              | LEATHER HELMET SHIELDS AND SIDEBARDS  | SK2346             |
| 4/1/2021 | P0014111     | \$260    | Special Operations Division  | AIR COMM SYSTEMS INC                       | REPAIR OF PA & SIREN CONTROL FOR AIR OPS  |                    |
| 4/1/2021 | P0014112     | \$2,743  | Logistics Department         | ALDERMAN ACRES MFG INC                     | BEDSPREADS FOR FIRESTATIONS   |                    |
| 4/1/2021 | P0014117     | \$3,017  | Logistics Department         | FIRE ETC                                   | CITRO SQUEEZE 5 GALLON PAIL FOR SERVICE CENTER STOCK                                  |                    |
| 4/1/2021 | P0014118     | \$420    | EMS & Training Department    | HAULAWAY STORAGE CONTAINERS INC.           | CONTAINER TRANSFER SERVICES   |                    |
| 4/1/2021 | P0014116     | \$7,793  | Special Operations Division  | LN CURTIS & SONS                           | RESCUE STRUT SYSTEM COMPONENTS FOR USAR CA-TF5  |                    |
| 4/1/2021 | B01871-2     | \$12,000 | Human Resources Department   | CSAC EXCESS INSURANCE AUTHORITY            | ONLINE INSURANCE CERTIFICATE MANAGEMENT   |                    |
| 4/1/2021 | P0014113     | \$13,613 | Logistics Department         | PROFESSIONAL DIVERSIFIED FLOORING          | FLOORING REPLACEMENT FS83   |                    |
| 4/1/2021 | P0014114     | \$8,289  | Operations Department        | PROFESSIONAL DIVERSIFIED FLOORING          | FLOORING REPLACEMENT FS58   |                    |
| 4/1/2021 | P0014115     | \$20,892 | Operations Department        | MAKO OVERHEAD DOOR                         | APPARATUS BAY DOOR REPLACEMENT FOR OCFA FIRE STATION 8                                |                    |
| 4/4/2021 | B01962-2     | \$10,000 | Logistics Department         | ELITE AUTOMOTIVE SERVICES                  | FORD VEHICLES: MAINTENANCE AND REPAIR SERVICES AS-NEEDED                              | JA2349             |
| 4/4/2021 | B01576-6     | \$10,000 | Logistics Department         | AMERICAN ENGRAVING COMPANY                 | ENVELOPES FOR SERVICE CENTER STOCK  |                    |
| 4/4/2021 | B02097-1     | \$10,000 | Logistics Department         | WILCOX SUPPLY INC.                         | MISC. WHEEL AND TIRE SUPPLIES - AS NEEDED   |                    |
| 4/4/2021 | B01856-3     | \$10,128 | Logistics Department         | PAGERDUTY, INC.                            | LIVE CALL ROUTING USER FEE FOR TECH SUPPORT   |                    |
| 4/6/2021 | P0014124     | \$5,043  | Special Operations Division  | ALLSTAR FIRE EQUIPMENT                     | SKA-PAK BOTTLES FOR CA-TF5 LEGACY CACHE RJ - 0103.00 RJ - 0103.01                     |                    |
| 4/6/2021 | P0014123     | \$2,225  | Special Operations Division  | BUILTRIGHT INDUSTRIES                      | STORAGE AND DEPLOYMENT BAG FOR NEW FEMA APX RADIOS CACHE LIST # CA-0122.06            |                    |
| 4/6/2021 | P0014122     | \$8,889  | Special Operations Division  | LINEGEAR FIRE & RESCUE                     | WATER-PROOF JACKETS FOR HMRT MEMBERS  |                    |
| 4/6/2021 | P0014119     | \$2,962  | Logistics Department         | LN CURTIS & SONS                           | TAPE FOR WMD SUIT SEAMS   |                    |
| 4/6/2021 | P0014121     | \$3,101  | Logistics Department         | PJ PRINTERS                                | CUSTOM PRINTED DRIVER HANDBOOKS AND BINDERS   |                    |

| Date      | PO/BO Number | Amount    | Department                          | Vendor Name                           | Description   | Formal IFB/RFP No.    |
|-----------|--------------|-----------|-------------------------------------|---------------------------------------|---|-----------------------|
| 4/6/2021  | P0014120     | \$10,593  | Special Operations Division         | AIR ONE EQUIPMENT INC                 | FL360 SEARCH CAMERA FOR USAR FEMA CACHE LIST # TF-0131.00                             |                       |
| 4/6/2021  | B02206       | \$12,000  | Logistics Department                | LN CURTIS & SONS                      | BULLARD WILDLAND FIREFIGHTING HELMETS   |                       |
| 4/7/2021  | P0014125     | \$2,094   | Special Operations Division         | BATTERIES PLUS BULBS                  | REPLACEMENT BATTERIES FOR COMM SECTION REPEATER BATTERIES CACHE LIST ITEM: CF-0105.00 |                       |
| 4/7/2021  | B02075-1     | \$25,170  | Logistics Department                | WESTRUX INTERNATIONAL                 | TRUCK RENTAL FOR HAZMAT SECTION.  |                       |
| 4/7/2021  | P0014126     | \$4,340   | Command & Emergency Planning Div    | SOUTHERN CALIFORNIA ERGONOMICS        | ECC HEADSET EAR MOLDS AND MUTE SWITCH   |                       |
| 4/8/2021  | B01992-2     | \$11,400  | Community Risk Reduction Department | DOI/BLM                               | FIRE WEATHER STATION (RAWS) COLLECTION AGREEMENT                                      |                       |
| 4/8/2021  | P0014127     | \$2,088   | Logistics Department                | THE TINT PROS                         | WINDOW TINTING SERVICES FIRE STATION 63   |                       |
| 4/9/2021  | B01751-4     | \$10,000  | Community Risk Reduction Department | CRON & ASSOCIATES TRANSCRIPTION, INC. | TRANSCRIPTION SERVICES FOR RECORDED AUDIO   |                       |
| 4/9/2021  | B01699-2     | \$3,453   | Logistics Department                | LUCID8 LLC                            | DIGISCOPE EMAIL DISCOVERY SOFTWARE ANNUAL RENEWAL                                     |                       |
| 4/12/2021 | P0014130     | \$367,516 | Logistics Department                | EPLUS TECHNOLOGY, INC.                | 911 NETWORK HARDWARE UPGRADE  | Cooperative Agreement |
| 4/12/2021 | B01866-3     | \$11,191  | Logistics Department                | AKINS IT, INC.                        | KNOWBE4 SECURITY AWARENESS SOFTWARE SUBSCRIPTION                                      | RO2292                |
| 4/12/2021 | P0014128     | \$10,324  | Logistics Department                | STATELINE POWER CORP                  | EMERGENCY GENERATOR FOR FS44  |                       |
| 4/12/2021 | P0014129     | \$12,995  | Operations Department               | CONCEPT PAVING SOLUTIONS              | DEMOLITION SERVICES FOR SINK HOLE FS72  |                       |
| 4/14/2021 | P0014131     | \$1,481   | Operations Department               | BRIGHTVIEW LANDSCAPE SERVICES, INC.   | IRRIGATION MAINTENANCE - FS57   |                       |
| 4/14/2021 | P0014133     | \$975     | Operations Department               | BRIGHTWAY ONE                         | WINDOW CLEANING - FS58  |                       |
| 4/14/2021 | B01901-3     | \$50,000  | Logistics Department                | CITY OF SANTA ANA                     | AS-NEEDED FLEET MAINTENANCE AND REPAIR SERVICES FOR OCFA VEHICLES                     |                       |
| 4/14/2021 | P0014132     | \$253     | Logistics Department                | HOME DEPOT                            | SUPPLIES FOR LACTATION ROOM PROJECT   |                       |
| 4/14/2021 | P0014134     | \$3,558   | Logistics Department                | MUNICIPAL EMERGENCY SERVICES          | NEW RIC PAK FOR T-71  |                       |
| 4/14/2021 | P0014135     | \$3,313   | Logistics Department                | PLASTICPLACE                          | DECON BAGS FOR RESTOCK  |                       |
| 4/15/2021 | B02209       | \$3,645   | Business Services Department        | SAGE SOFTWARE INC.                    | SAGE FIXED ASSETS ANNUAL SOFTWARE MAINTENANCE SUPPORT                                 |                       |
| 4/15/2021 | P0014136     | \$1,917   | Logistics Department                | WILLIAMS & MAHER INC                  | DATA DROPS FOR FS18 HAND CREW TRAILER   |                       |
| 4/15/2021 | P0014137     | \$440     | Logistics Department                | WILLIAMS & MAHER INC                  | CAT3 TELEPHONE CABLE INSTALL FOR FS28   |                       |
| 4/19/2021 | P0014140     | \$15,965  | Operations Department               | BORBON, INC.                          | OCFA FIRE STATION 11 REPAINT  |                       |
| 4/20/2021 | B01943-2     | \$25,000  | Executive Management                | FIRE SMART PROMOTIONS                 | CHILDRENS' PLASTIC FIRE HELMETS   | SK2334                |
| 4/21/2021 | P0014143     | \$1,373   | Operations Department               | BRIGHTVIEW LANDSCAPE SERVICES, INC.   | IRRIGATION REPAIRS - FS54   |                       |

| Date      | PO/BO Number | Amount   | Department                   | Vendor Name                              | Description   | Formal IFB/RFP No.    |
|-----------|--------------|----------|------------------------------|--|---|-----------------------|
| 4/21/2021 | P0014144     | \$1,481  | Operations Department        | BRIGHTVIEW LANDSCAPE SERVICES, INC.      | IRRIGATION REPAIRS - FS57   |                       |
| 4/21/2021 | P0014145     | \$4,639  | Human Resources Department   | CINTAS FIRST AID & SAFETY LOC #168       | FIRST AID KIT REPLACEMENT   |                       |
| 4/21/2021 | P0014147     | \$2,016  | Business Services Department | PJ PRINTERS                              | FIRE AND LIFE SAFETY INSPECTION NOTICE - INVENTORY                  |                       |
| 4/21/2021 | P0014142     | \$2,272  | EMS & Training Department    | PREMIUM PALLET, INC.                     | LUMBER FOR FIRE GROUND SURVIVAL TRAINING                            |                       |
| 4/21/2021 | P0014146     | \$1,472  | Logistics Department         | WILLIAMS & MAHER INC                     | FS65 - WESTNET ALERTING UPGRADE                                     |                       |
| 4/22/2021 | B01915-2     | \$7,000  | Special Operations Division  | SPARKLETT'S/DANONE WATERS OF NO. AMERICA | BOTTLED DRINKING WATER  | Cooperative Agreement |
| 4/22/2021 | P0014152     | \$15,300 | Logistics Department         | DELL MARKETING, L.P.                     | WMWARE LICENSE PURCHASE - STAFFING PROJECT                          | Cooperative Agreement |
| 4/22/2021 | B01742-4     | \$44,000 | Logistics Department         | POWERWERX INC.                           | COMMUNICATION EQUIPMENT PARTS AND ACCESSORIES                       | RO2192                |
| 4/22/2021 | P0014149     | \$9,584  | Logistics Department         | BRIGHTVIEW LANDSCAPE SERVICES, INC.      | GRAVEL INSTALLATION AT RFOTC EAST PARKING                           |                       |
| 4/22/2021 | P0014151     | \$1,764  | EMS & Training Department    | CALUMET PACKAGING                        | FUEL FOR POWER TOOLS TRAINING GROUND - ACADEMY 52                   |                       |
| 4/22/2021 | B01840-3     | \$15,000 | Operations Department        | NORM'S REFRIGERATION & ICE EQUIPMENT     | ICE MAKER & REFRIGERATION REPAIR AND MAINTENANCE                    |                       |
| 4/22/2021 | P0014150     | \$13,150 | Logistics Department         | STEINER STUDIO                           | INTERIOR ARCHITECTURAL SERVICES FS42                                |                       |
| 4/22/2021 | P0014148     | \$7,169  | Executive Management         | B & H PHOTO                              | REPLACEMENT OF OLD EQUIPMENT AND TO ENHANCE QUALITY OF WORK         |                       |
| 4/26/2021 | P0014153     | \$1,018  | Operations Department        | HC INTEGRATED SYSTEMS, INC               | EMERGENCY REPAIRS FS22 CONFIRMING PO                                |                       |
| 4/26/2021 | P0014154     | \$2,327  | Special Operations Division  | LIFE ASSIST, INC.                        | M-FAK - FEMA CACHE NUMBER MN-0158.00                                |                       |
| 4/27/2021 | P0014156     | \$1,254  | EMS & Training Department    | B & M LAWN & GARDEN CENTER               | BAR OIL AND TOOLS FOR ACADEMY 52                                    |                       |
| 4/27/2021 | P0014157     | \$792    | Logistics Department         | BRIGHTVIEW LANDSCAPE SERVICES, INC.      | IRRIGATION REPAIRS @ RFOTC  |                       |
| 4/27/2021 | B02211       | \$40,000 | Logistics Department         | UNITED RENTALS (NORTH AMERICA), INC.     | GENERATOR RENTAL FOR TEMPORARY CLASSROOMS AT RFOTC TRAINING GROUNDS |                       |
| 4/27/2021 | P0014158     | \$1,100  | Logistics Department         | ORANGE COUNTY DEMOLITION, INC.           | PIPE BOLLARDS AT USAR WAREHOUSE                                     |                       |
| 4/28/2021 | P0014161     | \$8,659  | Logistics Department         | HC INTEGRATED SYSTEMS, INC               | FIRE ALARM PANEL REPLACEMENT FS36                                   |                       |
| 4/28/2021 | P0014162     | \$7,590  | Logistics Department         | HC INTEGRATED SYSTEMS, INC               | FIRE ALARM PANEL REPLACEMENT FS50                                   |                       |
| 4/29/2021 | P0014165     | \$71,547 | Logistics Department         | NTT AMERICA SOLUTIONS, INC               | VOIP SYSTEM UPGRADES - FIVE STATIONS                                | Cooperative Agreement |
| 4/29/2021 | B02098-1     | \$75,000 | Logistics Department         | SOUTHERN COUNTIES FUELS                  | MOTOR OIL AND OTHER LUBRICATIONS                                    | RO2421                |
| 4/29/2021 | B01916-2     | \$10,000 | Logistics Department         | MARKEN PPE RESTORATION                   | TURNOUT CLEANING AND REPAIR   |                       |
| 4/29/2021 | P0014163     | \$1,760  | Logistics Department         | SO CAL ARBOR CARE, INC                   | TREE TRIMMING AT OCFA FIRE STATION 48 .                             |                       |

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| 5/1/2021  | B01593-6     | \$25,000  | Logistics Department         | WESTNET                                       | ALARM PROGRAMMING SERVICES - AS NEEDED                               | DC1849                |
| 5/1/2021  | B01540-6     | \$10,000  | Special Operations Division  | ADAMSON POLICE PRODUCTS                       | TACTICAL CLOTHING FOR USAR TASK FORCE 5                              |                       |
| 5/1/2021  | B01946-2     | \$8,976   | Logistics Department         | BRIGHTWAY ONE                                 | JANITORIAL SERVICES FOR THE US&R WAREHOUSE                           |                       |
| 5/1/2021  | B01602-6     | \$50,000  | Logistics Department         | TRITECH SOFTWARE SYSTEMS                      | AVL/CAD INTERFACE PROGRAMMING SERVICES                               |                       |
| 5/1/2021  | B01514-7     | \$14,322  | Logistics Department         | MITSUBISHI ELECTRIC & ELECTRONICS USA, INC.   | ELEVATOR AND REPAIR MAINTENANCE - RFOTC                              |                       |
| 5/3/2021  | B02096-1     | \$75,000  | Logistics Department         | BURTON'S FIRE INC.                            | HEAVY EQUIPMENT PARTS  | RO2432                |
| 5/3/2021  | B02093-1     | \$150,000 | Logistics Department         | KME FIRE APPARATUS                            | HEAVY EQUIPMENT PARTS  | RO2432                |
| 5/3/2021  | B02094-1     | \$100,000 | Logistics Department         | RINCON TRUCK CENTER                           | HEAVY EQUIPMENT MAINTENANCE, REPAIRS, AND PARTS                      | RO2432                |
| 5/3/2021  | B02095-1     | \$100,000 | Logistics Department         | SOUTHERN CALIFORNIA FLEET SERVICES INC.       | HEAVY EQUIPMENT MAINTENANCE & REPAIRS                                | RO2432                |
| 5/3/2021  | B01848-3     | \$18,000  | Logistics Department         | COLLINS FLAGS                                 | FLAGS  | SK2268                |
| 5/4/2021  | P0014166     | \$3,420   | Logistics Department         | SUTPHEN CORPORATION                           | HYDRAULIC PUMP FOR AERIAL ON UNIT # 5238                             |                       |
| 5/5/2021  | P0014167     | \$19,500  | Business Services Department | QUALTRICS LLC                                 | AUTOMATED EXTERNAL FEEDBACK SURVEY                                   |                       |
| 5/5/2021  | B02212       | \$0       | Business Services Department | QUALTRICS LLC                                 | SOFTWARE MAINTENANCE FOR AUTOMATED EXTERNAL FEEDBACK SURVEY          |                       |
| 5/5/2021  | P0014169     | \$5,819   | Special Operations Division  | UNIVERSAL TRAILERS INC                        | TRAILER REPAIR FOR USAR FEMA CA-TF5                                  |                       |
| 5/6/2021  | P0014172     | \$2,200   | Special Operations Division  | SUPERFIT CANINE                               | CANINE FIRST AID TRAINING FOR USAR FEMA CA-TF5                       |                       |
| 5/6/2021  | P0014170     | \$34,982  | EMS & Training Department    | HOME DEPOT                                    | LUMBER SUPPLIES FOR TRAINING ACADEMY 52                              | Cooperative Agreement |
| 5/6/2021  | P0014173     | \$7,490   | Logistics Department         | PRECISION TRUCK AND TRAILER REPAIR            | PREP, PAINT, AND REPLACE PARTS ON A TRAILER                          |                       |
| 5/7/2021  | B01519-7     | \$10,000  | Logistics Department         | VOX NETWORK SOLUTIONS INC.                    | AVAYA/NORTEL PHONE PARTS, REPAIR AND MAINTENANCE                     |                       |
| 5/10/2021 | B02214       | \$5,000   | Logistics Department         | ROKFORM                                       | PHONE ACCESSORIES  |                       |
| 5/10/2021 | P0014174     | \$444,253 | Logistics Department         | BK TECHNOLOGIES, INC.                         | PORTABLE VHF RADIO HARDWARE FOR REPLACEMENT                          | Cooperative Agreement |
| 5/11/2021 | P0014175     | \$1,981   | Human Resources Department   | ASSI SECURITY, INC                            | PROGRAMMABLE CARDS FOR ID BADGES                                     |                       |
| 5/11/2021 | P0014176     | \$9,666   | Logistics Department         | WILLIAMS & MAHER INC                          | CAT6 CABLE INSTALL FOR FS22 CONFERENCE ROOM                          |                       |
| 5/12/2021 | B01850-3     | \$150     | Logistics Department         | AMERICAN REGISTRY FOR INTERNET NUMBERS (ARIN) | MAINTENANCE FOR AUTONOMOUS SYSTEM NUMBER ORG ID: OCFA-1              |                       |
| 5/12/2021 | B01880-3     | \$13,254  | Logistics Department         | COUNTY OF ORANGE/TREASURER-TAX COLLECTOR      | OC SHERIFFS DEPARTMENT CLETS SERVICES - OCATS CONNECTIVITY & SERVICE |                       |
| 5/12/2021 | P0014177     | \$4,844   | Operations Department        | HARBOR POINTE A/C & CONTROLS                  | CONDENSING UNIT REPLACEMENT FS78                                     |                       |



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| 5/13/2021 | B01868-3     | \$100,000   | Logistics Department             | BROOKHURST DEVELOPMENT CORPORATION  | REAL ESTATE ADVISORY SERVICES  | RO2253                |
| 5/13/2021 | B02215       | \$0         | Executive Management             | ARCHIVESOCIAL                       | ARCHIVING SUBSCRIPTION FOR SOCIAL MEDIA ACCOUNTS                                     |                       |
| 5/13/2021 | P0014178     | \$1,864     | Operations Department            | BRIGHTVIEW LANDSCAPE SERVICES, INC. | TURF AND IRRIGATION REPAIRS FS22   |                       |
| 5/13/2021 | P012713      | \$20,367    | Logistics Department             | KME FIRE APPARATUS                  | CHANGE ORDERS # 1, 3, & 12 TO KME 103FT TUFF TRUCK AERIAL APPARATUS, T59 REPLACEMENT |                       |
| 5/13/2021 | B02216       | \$995       | Logistics Department             | OCCAM VIDEO SOLUTIONS               | INVESTIGATIONS LICENSE MAINTENANCE CONTRACT  |                       |
| 5/17/2021 | P0014179     | \$18,895    | Logistics Department             | CDW GOVERNMENT                      | VEEAM ANNUAL SUPPORT RENEWAL THROUGH JUNE 2022                                       | Cooperative Agreement |
| 5/17/2021 | P0014181     | \$19,522    | Logistics Department             | EPLUS TECHNOLOGY, INC.              | FIRE STATION CISCO NETWORK HARDWARE UPGRADE  | Cooperative Agreement |
| 5/17/2021 | B02101-1     | \$28,928    | Logistics Department             | MOBILE WIRELESS LLC.                | NETMOTION NETWORK PERFORMANCE MONITORING SOFTWARE                                    |                       |
| 5/17/2021 | P0014180     | \$5,362     | Operations Department            | INDUSTRIAL SAFETY INC               | CRASH KIT FOR CRASH 1-4  |                       |
| 5/17/2021 | B01577-6     | \$5,000     | Logistics Department             | IRON MOUNTAIN INC                   | OFF-SITE DATA STORAGE SERVICES   |                       |
| 5/18/2021 | P0014182     | \$1,408     | Logistics Department             | WILLIAMS & MAHER INC                | FS32 ALERTING LIGHTS CHANGE OVER   |                       |
| 5/18/2021 | P0014183     | \$1,346     | Logistics Department             | WILLIAMS & MAHER INC                | FS53 ALERTING LIGHTS CHANGE OVER   |                       |
| 5/18/2021 | P0014184     | \$3,349     | Operations Department            | HARBOR POINTE A/C & CONTROLS        | HVAC REPAIR AT FS29  |                       |
| 5/19/2021 | B02100-1     | \$80,000    | Logistics Department             | DELL MARKETING, L.P.                | DELL 24X7 COMPELLENT ANNUAL PROSUPPORT WITH 4-HOUR PRIORITY ON-SITE SERVICE          | Cooperative Agreement |
| 5/20/2021 | P0014186     | \$3,099     | Command & Emergency Planning Div | BETTER WAY INC.                     | TCARDS FOR DOC/ECC/COMMAND TRAILER UNIT RESOURCE TRACKING                            |                       |
| 5/20/2021 | B01764-3     | \$6,360     | Special Operations Division      | GLOBALCOM SATELLITE COMMUNICATIONS  | CA-TF5 SATELLITE PHONE AIRTIME SERVICE   |                       |
| 5/20/2021 | B02082-1     | \$5,032     | Logistics Department             | TEAM VIEWER GERMANY GMBH            | COVID-19 - REMOTE SUPPORT SOFTWARE   |                       |
| 5/20/2021 | P0014185     | \$13,436    | Logistics Department             | LAKEMAN CHASSIS                     | ALUMINUM PLACARDS FOR ENGINES, TRUCKS, AND RELIEF FLEET                              |                       |
| 5/21/2021 | B01917-2     | \$1,000     | Operations Department            | NALCO WATER PRETREATMENT SOLUTIONS  | WATER TREATMENT SERVICES   |                       |
| 5/21/2021 | P0014187     | \$13,043    | Special Operations Division      | FEDERAL RESOURCES SUPPLY COMPANY    | RADIATION DETECTION MONITOR  |                       |
| 5/22/2021 | B01520-7     | \$50,000    | EMS & Training Department        | TARGETSOLUTIONS LEARNING, LLC       | ONLINE TRAINING AND RECORDS MANAGEMENT SYSTEM  |                       |
| 5/24/2021 | P0014189     | \$1,941,261 | Logistics Department             | ROSENBAUER MINNESOTA, LLC           | PURCHASE OF TWO (2) HAZARDOUS MATERIALS VEHICLES                                     | JA2463                |
| 5/24/2021 | P0014190     | \$8,881     | Operations Department            | BRIGHTVIEW LANDSCAPE SERVICES, INC. | LANDSCAPE MAINTENANCE FS40   |                       |
| 5/24/2021 | P0014188     | \$1,550     | Human Resources Department       | CALIFORNIA COMPLIANCE ENVIRONMENTAL | FS59 - ANNUAL REQUIRED MAINTENANCE OF STORM WATER SYSTEM                             |                       |
| 5/24/2021 | P0014191     | \$6,370     | Logistics Department             | JKP, INC.                           | FLOORING REPLACEMENT FOR FIRE STATION 59   |                       |

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| 5/24/2021 | B01661-5     | \$2,658   | Logistics Department             | ORACLE AMERICA, INC.                       | ORACLE IFP SOFTWARE UPDATES AND LICENSING                                     |                       |
| 5/25/2021 | B01678-5     | \$3,500   | Executive Management             | ASSOCIATED PRODUCTION MUSIC                | MUSIC USE SUBSCRIPTION CONTRACT   |                       |
| 5/25/2021 | P0014193     | \$2,085   | Human Resources Department       | CALIFORNIA COMPLIANCE ENVIRONMENTAL        | ANNUAL REQUIRED MAINTENANCE OF STORMWATER SYSTEM                              |                       |
| 5/25/2021 | P0014192     | \$5,683   | Logistics Department             | HOME DEPOT                                 | GENERATORS FOR IMT LOGISTICS TRAILER  |                       |
| 5/26/2021 | P0014196     | \$441     | EMS & Training Department        | LIFE ASSIST, INC.                          | EMS SUPPLIES  |                       |
| 5/26/2021 | P0014194     | \$2,655   | Human Resources Department       | WAYNE PERRY INC.                           | SB989 REPAIRS AS NEEDED FS74  |                       |
| 5/26/2021 | P0014195     | \$29,893  | Logistics Department             | DISCOUNT-EQUIPMENT.COM INC                 | LIGHT TOWERS FOR IMT LOGISTICS TRAILER  |                       |
| 5/27/2021 | P0014199     | \$3,664   | Business Services Department     | AMERICAN ENGRAVING COMPANY                 | BEST AND BRAVEST 2021 PROGRAM AS SPECIFIED                                    |                       |
| 5/27/2021 | P0014197     | \$873     | Logistics Department             | CABLE TIES AND MORE                        | LOGISTIC SUPPORT ITEMS FOR IMT LOGISTICS TRAILER                              |                       |
| 5/27/2021 | P0014200     | \$2,073   | Logistics Department             | DESIGN A WINDOW & INTERIORS                | BLACKOUT SHADES FOR FIRE STATION 60   |                       |
| 5/27/2021 | P0014198     | \$4,307   | Command & Emergency Planning Div | SOUTHERN CALIFORNIA ERGONOMICS             | WIRELESS HEADSET HARDWARE - ECC   |                       |
| 6/1/2021  | B02088-1     | \$120,000 | Logistics Department             | QUINN COMPANY                              | MAINTENANCE AND REPAIR OF CATERPILLAR EQUIPMENT                               | Cooperative Agreement |
| 6/1/2021  | B01763-4     | \$50,000  | Operations Department            | ROYAL MATTRESS                             | MATTRESSES, BOX SPRINGS, AND BED FRAMES                                       | SC2207                |
| 6/1/2021  | B01735-5     | \$54,588  | Logistics Department             | COMMERCIAL SERVICE SOLUTIONS               | CARPET CLEANING SERVICES  | RO2185                |
| 6/1/2021  | B01968-2     | \$50,000  | Logistics Department             | DRIP DROP HYDRATION                        | ORAL REHYDRATION SOLUTION FOR FIREFIGHTERS                                    |                       |
| 6/1/2021  | P0014203     | \$8,600   | EMS & Training Department        | INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS | TRAINING AND CERTIFICATION OF IAFF FIRE GROUND SURVIVAL ASSISTANT INSTRUCTORS |                       |
| 6/1/2021  | B01875-3     | \$6,458   | Special Operations Division      | MYDBSOLUTIONS, LLC                         | CATF5 PERSONNEL & CACHE DATABASE - ANNUAL FEES                                |                       |
| 6/1/2021  | P0014202     | \$1,508   | Logistics Department             | STATEWIDE TRAFFIC SAFETY AND SIGNS INC     | LOGISTIC SUPPORT ITEMS FOR IMT LOGISTICS TRAILER                              |                       |
| 6/2/2021  | P0014206     | \$2,447   | Command & Emergency Planning Div | VISIPLEX, INC.                             | MESSAGE BOARD/TIMER/DISPLAY FOR ECC   |                       |
| 6/2/2021  | P0014209     | \$2,591   | Logistics Department             | A & H PARTY RENTALS                        | RENTAL EVENT EQUIPMENT FOR LOS ALAMITOS MEDIA EVENT                           |                       |
| 6/2/2021  | P0014204     | \$8,965   | EMS & Training Department        | LIFE ASSIST, INC.                          | EMS SUPPLIES  |                       |
| 6/2/2021  | P0014208     | \$625     | Logistics Department             | WHITE HOUSE SANITATION                     | PORTABLE RESTROOMS NEEDED FOR LOS ALAMITOS MEDIA EVENT                        |                       |
| 6/2/2021  | P0014205     | \$1,051   | Command & Emergency Planning Div | BBI-BEAU BUREAUX INTERIORS                 | DISPATCH CONSOLE CHAIRS FOR ECC   |                       |
| 6/3/2021  | P0014212     | \$2,324   | EMS & Training Department        | PEDIATRIC EMERGENCY STANDARDS INC          | RN EDUCATION SUPPLIES   |                       |
| 6/3/2021  | P0014210     | \$6,580   | Business Services Department     | PJ PRINTERS                                | ORC 2021 RADIO GUIDE BOOKS  |                       |

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| 6/4/2021  | P0014215     | \$348     | Logistics Department                | SOURCE GRAPHICS, INC.            | MAP REQUEST; UPCOMING FIRE SEASON                                    |                       |
| 6/4/2021  | P0014214     | \$1,418   | Executive Management                | TUSTIN AWARDS INC.               | CUSTOM LENGTH OF SERVICE COINS FOR EMPLOYEES                         |                       |
| 6/4/2021  | P0014216     | \$1,228   | Operations Department               | SOURCE CREATIVE OFFICE INTERIORS | REPLACEMENT CHAIRS FOR FIRE STATION 17                               |                       |
| 6/7/2021  | B02218       | \$83,085  | Special Operations Division         | CITY OF FULLERTON                | FIRE STATION #41 LEASE AT FULLERTON AIRPORT                          |                       |
| 6/7/2021  | P0014219     | \$2,046   | Special Operations Division         | LN CURTIS & SONS                 | ROPE AND HARDWARE EQUIPMENT FOR OCFA USAR TRT PROGRAM                |                       |
| 6/7/2021  | P0014217     | \$5,426   | Executive Management                | ALLIANT EVENT SERVICES, INC      | JUMBOTRON FOR ACADEMY 51 GRADUATION                                  |                       |
| 6/7/2021  | P0014218     | \$3,554   | Logistics Department                | SADDLEBACK APPLIANCES            | SPEED QUEEN APPLIANCES FOR PM STOCK                                  |                       |
| 6/8/2021  | P0014224     | \$351     | Logistics Department                | ASSI SECURITY, INC               | CARD READER REPAIR FOR RFOTC BUILDING A, PEDESTRIAN GATE.            |                       |
| 6/8/2021  | P0014222     | \$249     | EMS & Training Department           | MASIMO AMERICAS INCORPORATED     | RAD 57 REPAIR  |                       |
| 6/8/2021  | P0014225     | \$2,542   | Logistics Department                | PHOENIX INTERNATIONAL SYSTEMS    | PROWLER C4XM REAR FACING MEDIC SEAT KIT                              |                       |
| 6/8/2021  | P0014220     | \$3,582   | Logistics Department                | VALLEY POWER SYSTEMS, INC.       | RED DOT AC COMPRESSORS FOR STOCK                                     |                       |
| 6/8/2021  | P0014221     | \$3,843   | Special Operations Division         | LN CURTIS & SONS                 | ROPE AND HARDWARE EQUIPMENT FOR OCFA USAR TRT PROGRAM - RESCUE CACHE |                       |
| 6/8/2021  | P0014223     | \$320     | Logistics Department                | DESIGN A WINDOW & INTERIORS      | BLACKOUT SHADES FOR FS74   |                       |
| 6/8/2021  | P0014226     | \$763     | Logistics Department                | SOURCE CREATIVE OFFICE INTERIORS | ERGONOMIC DESK FOR EMS   |                       |
| 6/8/2021  | P0014227     | \$166,388 | Logistics Department                | EPLUS TECHNOLOGY, INC.           | FIRE STATION CISCO NETWORK SWITCH UPGRADE                            | Cooperative Agreement |
| 6/9/2021  | P0014228     | \$83,604  | Logistics Department                | ALLSTAR FIRE EQUIPMENT           | SCOTT SAFETY EQUIPMENT FOR HAZMAT                                    | JA2496                |
| 6/9/2021  | B01870-3     | \$11,306  | Logistics Department                | ZONES INC.                       | SAP CRYSTAL REPORT SOFTWARE AND SUPPORT                              | RO2293                |
| 6/9/2021  | B01981-2     | \$50,000  | Community Risk Reduction Department | DENNIS GRUBB & ASSOCIATES, LLC   | OFF-SITE PLAN REVIEW SERVICES  | RO2367                |
| 6/9/2021  | B02085-1     | \$30,000  | Human Resources Department          | AERO ENVIRONMENTAL SERVICES      | INDUSTRIAL HYGIENIST SERVICES  |                       |
| 6/9/2021  | B01659-5     | \$10,000  | Logistics Department                | LN CURTIS & SONS                 | FIRE GOGGLES AND STRAPS  |                       |
| 6/10/2021 | B01876-3     | \$100,000 | Logistics Department                | CDW GOVERNMENT                   | COMPUTER PARTS, ACCESSORIES, AND SOFTWARE                            | Cooperative Agreement |
| 6/10/2021 | P0014230     | \$116,418 | Logistics Department                | LN CURTIS & SONS                 | WMD SUITES FOR ALL FRONT LINE FIRE APPARATUS                         | LK2495                |
| 6/10/2021 | B01762-4     | \$10,000  | Logistics Department                | GEAR ONE ENTERPRISE CORPORATION  | END OF LIFE SUPPORT FOR SERVER & NETWORK HARWARE                     | RO2213                |
| 6/10/2021 | B01643-5     | \$1,008   | Logistics Department                | GT SOFTWARE, INC.                | NETCOBOL SOFTWARE MAINTENANCE AND SUPPORT                            |                       |
| 6/10/2021 | B01674-5     | \$3,000   | Logistics Department                | MERCURY DISPOSAL SYSTEMS, INC.   | BATTERY AND BULB RECYCLING   |                       |

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| 6/10/2021 | P0014229     | \$11,000 | Logistics Department                | BRANDOW & JOHNSTON                          | CIVIL ENGINEERING SERVICES FS65   |                       |
| 6/14/2021 | P0014235     | \$4,635  | Special Operations Division         | AVI SURVIVAL LLC                            | CREW CHIEF HELMET AND COMMS   |                       |
| 6/14/2021 | P0014231     | \$1,498  | Logistics Department                | CDW GOVERNMENT                              | FLAT SCREEN   |                       |
| 6/14/2021 | P0014236     | \$3,610  | Logistics Department                | FIRST IN PRODUCTS, INC.                     | SERVICE CENTER STOCK  |                       |
| 6/14/2021 | B01925-2     | \$7,500  | Special Operations Division         | HONEYWELL INTERNATIONAL, INC                | FLIGHT FOLLOWING & SATELLITE PHONE SERVICE  |                       |
| 6/14/2021 | P0014232     | \$334    | Logistics Department                | WILLIAMS & MAHER INC                        | CAT6 CABLE INSTALL FOR FLAT SCREEN INSTALL  |                       |
| 6/14/2021 | P0014233     | \$608    | Logistics Department                | WILLIAMS & MAHER INC                        | CAT6 CABLE INSTALL FOR BC DORM PC   |                       |
| 6/14/2021 | P0014234     | \$814    | Logistics Department                | WILLIAMS & MAHER INC                        | PHONE CABLE RUN FOR FIRE STATION 65   |                       |
| 6/15/2021 | P0014238     | \$12,867 | Logistics Department                | EPLUS TECHNOLOGY, INC.                      | RFOTC WIRELESS NETWORK UPGRADE  | Cooperative Agreement |
| 6/15/2021 | P0014237     | \$4,996  | Operations Department               | HARBOR POINTE A/C & CONTROLS                | HVAC COIL REPLACEMENT FS36  |                       |
| 6/16/2021 | B01982-2     | \$40,000 | Community Risk Reduction Department | HAYER CONSULTANTS INC.                      | OFF-SITE PLAN REVIEW SERVICES   | RO2367                |
| 6/16/2021 | B01973-2     | \$10,000 | Logistics Department                | BERNELL HYDRAULICS INC                      | HYDRAULIC CYLINDER REPAIR/REBUILD SERVICES  |                       |
| 6/16/2021 | P0014240     | \$1,482  | Logistics Department                | SOURCE CREATIVE OFFICE INTERIORS            | TASK STOOLS FOR BOARDROOM   |                       |
| 6/16/2021 | P0014241     | \$12,613 | Logistics Department                | MITSUBISHI ELECTRIC & ELECTRONICS USA, INC. | ELEVATOR REPAIR AT BUILDING C - RFOTC   |                       |
| 6/16/2021 | P0014239     | \$558    | Logistics Department                | WILLIAMS & MAHER INC                        | SPEAKER CABLE RUN FOR FIRE STATION 46   |                       |
| 6/17/2021 | B01983-2     | \$40,000 | Community Risk Reduction Department | BUREAU VERITAS NORTH AMERICA INC            | OFF-SITE PLAN REVIEW SERVICES   | RO2367                |
| 6/17/2021 | P0014242     | \$8,865  | Logistics Department                | HC INTEGRATED SYSTEMS, INC                  | FIRE LIFE SAFETY SYSTEM REPAIRS AT FIRESTATIONS: 04,05,31,38,49,50,53,54,57, AND 58 |                       |
| 6/17/2021 | B02009-2     | \$5,082  | Logistics Department                | KAMBRIAN CORPORATION                        | ACTIVE ADMINISTRATION MAINTENANCE RENEWAL   |                       |
| 6/17/2021 | B01997-2     | \$10,564 | Logistics Department                | VCLOUD TECH INC.                            | VMWARE AIRWATCH MDM SOFTWARE AND SUPPORT  |                       |
| 6/18/2021 | B01777-4     | \$40,000 | Logistics Department                | CITY OF WESTMINSTER - FINANCE DEPT          | UNLEADED AND DIESEL FUEL FOR OCFA VEHICLES AT THE WESTMINSTER CITY YARD             |                       |
| 6/18/2021 | P0014244     | \$1,883  | Special Operations Division         | GRAINGER                                    | SUPPORT EQUIPMENT FOR REMS TEAM   |                       |
| 6/18/2021 | P0014245     | \$2,220  | Logistics Department                | JKP, INC.                                   | CARPET LOGO INSTALLATION @ RFOTC AE, LOBBY  |                       |
| 6/18/2021 | B01673-5     | \$807    | Logistics Department                | ORACLE AMERICA, INC.                        | ORACLE DATABASE STANDARD EDITION LICENSING . OCFA SUPPORT SERVICE NUMBER: 4766971   |                       |
| 6/21/2021 | P0014246     | \$6,768  | Operations Department               | ALLSTAR FIRE EQUIPMENT                      | HELMETS FOR CADET PROGRAM   |                       |
| 6/21/2021 | P0014247     | \$6,420  | Logistics Department                | CDW GOVERNMENT                              | STAFFING CLUSTER VEEAM LICENSING  |                       |

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| 6/22/2021 | B01873-3     | \$18,678    | Logistics Department         | CDW GOVERNMENT                                  | MIMECAST E-MAIL SECURITY SOFTWARE AND SUPPORT   | Cooperative Agreement |
| 6/22/2021 | B01752-4     | \$30,000    | EMS & Training Department    | PREMIER FITNESS SERVICE LLC.                    | FITNESS EQUIPMENT MAINTENANCE & REPAIR  | RO2198                |
| 6/22/2021 | P0014248     | \$5,812     | Special Operations Division  | LN CURTIS & SONS                                | BDU PANTS FOR HANDCREW  |                       |
| 6/23/2021 | P0014252     | \$1,584     | Operations Department        | BOYCE INDUSTRIES                                | PRESSURE WASHER TO CLEAN APPARATUS AT FS21  |                       |
| 6/23/2021 | P0014251     | \$838       | Logistics Department         | SOURCE GRAPHICS, INC.                           | PRINT HEAD MAINTENANCE  |                       |
| 6/23/2021 | P0014250     | \$512       | Logistics Department         | HOME DEPOT                                      | SUPPLIES FOR LACTATION ROOM PROJECT   |                       |
| 6/24/2021 | B02109-1     | \$13,000    | EMS & Training Department    | PEDIATRIC EMERGENCY STANDARDS INC               | HANDTEVY PEDIATRIC MEDICATION MANAGEMENT SOFTWARE                                       |                       |
| 6/24/2021 | B02120-1     | \$11,340    | Human Resources Department   | SPEAKWRITE LLC                                  | TRANSCRIPTION SERVICES FOR EMPLOYEE RELATIONS (ER)                                      |                       |
| 6/24/2021 | B02110-1     | \$7,750     | Human Resources Department   | YORKE ENGINEERING, LLC                          | SPILL PREVENTION, CONTROL, & COUNTERMEASURE (SPCC) PLAN SUPPORT SERVICES                |                       |
| 6/28/2021 | Q0013472     | \$1,994     | Logistics Department         | COMPUTER AID, INC.                              | STAFF AUGMENTATION - GIS DBA SERVICES   | Cooperative Agreement |
| 6/28/2021 | Q0013069     | \$8,830,210 | Logistics Department         | KME FIRE APPARATUS                              | PURCHASE OF THIRTEEN (13) TYPE I ENGINES  | JA2373                |
| 6/28/2021 | Q0013113     | \$456,651   | Logistics Department         | EMERGENCY VEHICLE GROUP, INC                    | PURCHASE OF ONE (1) HAZARDOUS MATERIALS S   | JA2384                |
| 6/28/2021 | Q0013342     | \$28,500    | Special Operations Division  | WILDLAND RESOURCE MANAGEMENT                    | UPDATE OF COMMUNITY WILDFIRE PROTECTION PLAN  |                       |
| 6/28/2021 | Q011985      | \$3,600     | Logistics Department         | VO ENGINEERING                                  | GEOTECHNICAL STUDY SERVICES FOR OCFA FIRE STATION 49 STRUCTURAL DISTRESS PROJECT        | RO2327                |
| 6/28/2021 | B02008-2     | \$0         | Logistics Department         | BORDERS ARCHITECTS                              | ENGINEERING AND CONSTRUCTION SUPPORT SERVICES   | RO2362                |
| 6/28/2021 | Q0012964     | \$959       | Logistics Department         | GEOCON WEST, INC.                               | GEOTECHNICAL INVESTIGATION SERVICES FOR THE RFOTC TRAINING GROUNDS IMPROVEMENT PROJECT. | RO2362                |
| 6/28/2021 | Q0013475     | \$5,103     | Logistics Department         | RSSE STRUCTURAL ENGINEERS INC.                  | STRUCTURAL ENGINEERING SERVICES FOR OCFA STATION 49 APPARATUS BAY FOUNDATION REPAIR     | RO2362                |
| 6/28/2021 | Q0013501     | \$11,400    | Logistics Department         | BOA ARCHITECTURE -Black O&A™Dowd and Associates | ARCHITECTURAL DESIGN SERVICES FOR TRAILER SITE FIRE STATION 10                          | RO2362                |
| 6/28/2021 | Q0012594     | \$537,205   | Logistics Department         | ROSENBAUER SOUTH DAKOTA, LLC                    | 2020 ROSENBAUER CUSTOM FOAM TENDER  | Cooperative Agreement |
| 6/28/2021 | Q0013468     | \$220       | Special Operations Division  | AKM CONSULTING ENGINEERS                        | SITE PLAN DESIGN FOR FS18 STEEL STRUCTURE   |                       |
| 6/28/2021 | P0014254     | \$803       | Business Services Department | AMERICAN ENGRAVING COMPANY                      | LEGISLATIVE PLATFORM 2021-2022 BOOKLET FOR BOARD MEMBERS AND ELECTED OFFICES            |                       |
| 6/28/2021 | Q0013507     | \$186       | Special Operations Division  | ATLANTIC DIVING SUPPLY, INC.                    | 3M HALF MASK FOR TRT USAR PROGRAM   |                       |
| 6/28/2021 | P0014257     | \$1,351     | Logistics Department         | DEL CITY WIRE                                   | INVERTER/CHARGERS FOR COMM. VANS  |                       |
| 6/28/2021 | P0014259     | \$3,879     | Logistics Department         | DELL MARKETING, L.P.                            | COMPUTER FOR ECC POSITION ASSIGNED TO DO GIS WORK                                       |                       |
| 6/28/2021 | Q0012479     | \$550       | Logistics Department         | DHN CONSULTING INC.                             | CONSTRUCTION PROJECT MANAGEMENT SERVICES FOR RFOTC FIBER OPTIC NETWORK PROJECT          |                       |

| Date      | PO/BO Number | Amount   | Department                   | Vendor Name                     | Description   | Formal IFB/RFP No. |
|-----------|--------------|----------|------------------------------|---------------------------------|---|--------------------|
| 6/28/2021 | Q011677      | \$1,870  | Operations Department        | IDS GROUP, INC.                 | A&E SERVICES FOR ADA REMODEL OF FS13  |                    |
| 6/28/2021 | P0014258     | \$1,638  | EMS & Training Department    | LIFE ASSIST, INC.               | BVM FILTERS FOR COVID-19 FOR AEROSOL GENERATING PROCEDURE                           |                    |
| 6/28/2021 | Q0012898     | \$20,000 | Special Operations Division  | IRVINE MARRIOTT                 | HOTEL EVENT AGREEMENT FOR THE ORANGE COUNTY NATIONAL FEMA TASK FORCE MEETING        | DC2399             |
| 6/28/2021 | Q011769      | \$11,000 | Special Operations Division  | CONKLIN & DE DECKER ASSOCIATES  | CONSULTING SERVICES - HELICOPTER FLEET ASSESSMENT                                   |                    |
| 6/28/2021 | P0014256     | \$16,517 | EMS & Training Department    | CONTAINER ALLIANCE COMPANY      | WEFIT OUTDOOR CONTAINERS FOR GYM/ STORAGE   |                    |
| 6/28/2021 | Q0013137     | \$8,763  | Business Services Department | WAGENER, KAREN O                | CONSULTING SERVICES FOR OCFA FOUNDATION   |                    |
| 6/29/2021 | P0014260     | \$1,354  | Logistics Department         | FULLER TRUCK ACCESSORIES        | MESH BULKHEAD ASSEMBLIES TO INSTALL IN-HOUSE UNITS: 4341, 4342, 4343, 4344, & 4345  |                    |
| 6/29/2021 | P0014261     | \$16,735 | Executive Management         | AMERICAN ENGRAVING COMPANY      | RESTOCKING OF ITEMS FOR COMMUNITY EVENTS  |                    |
| 6/29/2021 | P0014262     | \$20,421 | Special Operations Division  | LN CURTIS & SONS                | ROPE RESCUE EQUIPMENT FOR REMS TEAM   |                    |
| 6/30/2021 | B01672-5     | \$27,000 | Logistics Department         | KIMBALL MIDWEST                 | HARDWARE, FASTENER MANAGEMENT, AND SUPPLY SERVICES                                  | RO2077             |
| 6/30/2021 | B01996-2     | \$0      | Logistics Department         | THE CONVERSE PROFESSIONAL GROUP | GEOTECHNICAL PROFESSIONAL SERVICES  | RO2362             |
| 6/30/2021 | B01989-2     | \$0      | Logistics Department         | RSSE STRUCTURAL ENGINEERS INC.  | A/E & CONSTRUCTION RELATED PROFESSIONAL SERVICES                                    | RO2362             |
| 6/30/2021 | B02107-1     | \$2,500  | Special Operations Division  | CAMP SYSTEMS INTERNATIONAL INC. | ANNUAL SUBSCRIPTION FOR ENGINE HEALTH MONITORING FOR THE OCFA 412 HELICOPTER N241FA |                    |



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 3A**  
**Discussion Calendar**

**Annual Investment Report**

**Contact(s) for Further Information**

|  |  |              |
|--|--|--------------|
| Robert Cortez, Assistant Chief,<br>Business Services Department      | <a href="mailto:robertcortez@ocfa.org">robertcortez@ocfa.org</a>     | 714.573.6012 |
| Tricia Jakubiak, Treasurer<br>Treasury & Financial Planning          | <a href="mailto:triciajakubiak@ocfa.org">triciajakubiak@ocfa.org</a> | 714.573.6301 |
| James Slobojan, Assistant Treasurer<br>Treasury & Financial Planning | <a href="mailto:jamesslobojan@ocfa.org">jamesslobojan@ocfa.org</a>   | 714.573.6305 |

**Summary**

This annual agenda item is submitted to the Budget and Finance Committee in compliance with Section 18.2 of the Orange County Fire Authority's Investment Policy.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

In compliance with Section 18.2 of the Orange County Fire Authority's Investment Policy, review the proposed annual agenda item and direct staff to place the item on the agenda for the Executive Committee meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Section 18.2 of OCFA's Investment Policy requires that the Treasurer submit an annual report to the Budget and Finance Committee and the Executive Committee following the close of the fiscal year. The attached report certifies that the Treasurer has complied with OCFA's investment policies and procedures and details the following:

- Portfolio performance and comparison to benchmarks
- A review of trends regarding the size of the portfolio
- Discussion of investment risk in the portfolio
- Analysis of the composition of the portfolio
- GASB 31 impacts
- Investment income
- A statement of anticipated investment fund activity in the next fiscal year

**Attachment(s)**

Annual Investment Report for Fiscal Year 2020/21



# ***Orange County Fire Authority Annual Investment Report***

## ***Fiscal Year 2020/21***

*The Annual Investment Report for the fiscal year ended June 30, 2021 fulfills the requirements of Section 18.2 of the Authority's Investment Policy ("the Policy"). The Annual Report is a review of the last twelve months of investment activity by the Treasurer.*





## *Annual Investment Report*

### *Table of Contents*

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### PORTFOLIO PERFORMANCE AND COMPARISON TO BENCHMARK

*Consistent with market trends, OCFA's portfolio return slowly declined throughout most of the fiscal year yet outperformed the Local Agency Investment Fund (LAIF) at the end of the fiscal year and consistently outperformed the Treasury benchmarks as listed in the comparison table below.*

At the beginning of this fiscal year, the economy was still slowly climbing out from the depths of a severe recession. Federal relief programs provided several layers of assistance for employers and consumers and allowed the economy to hold steady towards the end of 2020 even with unemployment remaining historically high. The unemployment rate ranged from a high of 10.2% in July 2020 and ended the fiscal year at 5.9%. OCFA's portfolio began the fiscal year with a maturity of 30 days and an effective rate of return of 0.45%. To mitigate the impact of the pandemic on the economy, the Federal Reserve held interest rates steady at 0.25% during the fiscal year. OCFA's portfolio performance also held steady with a slight dip at the end of 2020 and ended the year at 0.36% on an average portfolio balance of \$197 million. Treasury rates continued to drop throughout the period with LAIF trailing market rate movements by several months. Overall, actual portfolio earnings exceeded the final budget projection for the fiscal year due to higher than anticipated cash balances.

| OCFA Portfolio     |                    |                  |                 | Benchmark Comparisons |                  |                 |              |
|--------------------|--------------------|------------------|-----------------|-----------------------|------------------|-----------------|--------------|
|                    | Market Value       | Days to Maturity | Effective Yield | 3 Month Treasury      | 6 Month Treasury | 1 Year Treasury | LAIF         |
| <b>July</b>        | 172,131,134        | 30               | 0.45%           | 0.13%                 | 0.14%            | 0.15%           | 0.92%        |
| <b>August</b>      | 150,598,712        | 16               | 0.43%           | 0.10%                 | 0.12%            | 0.13%           | 0.78%        |
| <b>September</b>   | 139,994,417        | 14               | 0.42%           | 0.11%                 | 0.12%            | 0.13%           | 0.69%        |
| <b>October</b>     | 109,720,511        | 7                | 0.41%           | 0.10%                 | 0.11%            | 0.13%           | 0.62%        |
| <b>November</b>    | 128,829,246        | 14               | 0.39%           | 0.09%                 | 0.10%            | 0.12%           | 0.58%        |
| <b>December</b>    | 207,265,868        | 27               | 0.35%           | 0.09%                 | 0.09%            | 0.10%           | 0.54%        |
| <b>January</b>     | 154,694,509        | 26               | 0.24%           | 0.08%                 | 0.09%            | 0.10%           | 0.46%        |
| <b>February</b>    | 134,346,510        | 19               | 0.26%           | 0.04%                 | 0.06%            | 0.07%           | 0.41%        |
| <b>March</b>       | 140,742,066        | 28               | 0.23%           | 0.03%                 | 0.05%            | 0.08%           | 0.36%        |
| <b>April</b>       | 192,273,284        | 53               | 0.26%           | 0.02%                 | 0.04%            | 0.06%           | 0.34%        |
| <b>May</b>         | 200,416,714        | 48               | 0.35%           | 0.02%                 | 0.04%            | 0.05%           | 0.32%        |
| <b>June</b>        | 197,269,576        | 37               | 0.36%           | 0.04%                 | 0.05%            | 0.07%           | 0.26%        |
| <b>Fiscal Year</b> | <b>160,690,212</b> | <b>27</b>        | <b>0.35%</b>    | <b>0.07%</b>          | <b>0.08%</b>     | <b>0.10%</b>    | <b>0.52%</b> |

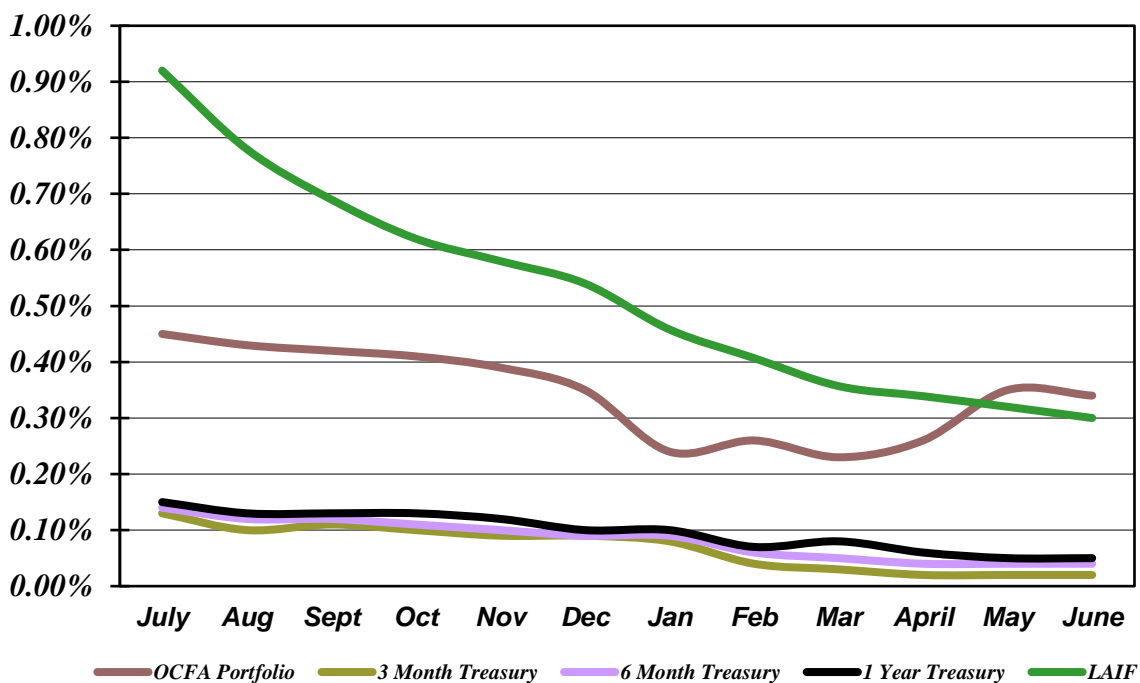


### PORTFOLIO PERFORMANCE AND COMPARISON TO BENCHMARKS

The following chart compares the Authority's monthly portfolio performance with benchmarks including 3-month, 6-month, and 1-year Treasuries and LAIF. OCFA's overall portfolio yield outperformed all Treasury benchmarks, yet lagged LAIF's performance for the first ten months and outperformed LAIF for the final two months of the fiscal year.

- During FY 2020/21, Treasury yields declined throughout the year as the Fed held rates in check and did not move upward until the final month of the fiscal year.
- In a rising/declining interest rate environment, LAIF's return tends to lag the market in rising/declining due to their maturity structure. As such, LAIF's return remained higher than the OCFA portfolio rate and Treasury benchmarks. It gradually dropped throughout the fiscal year until dipping below the OCFA return in May 2021.
- In FY 2020/21, OCFA kept investments primarily in Treasuries, Federal Agency securities and LAIF. However, OCFA remains somewhat restrained due to the timing of cashflow needs. Since interest rates are expected to stabilize in the coming months, OCFA's portfolio rate of return is projected to outperform the LAIF and Treasury benchmarks through the first quarter of FY 2021/22.

#### Comparison to Benchmarks - FY 2020/21

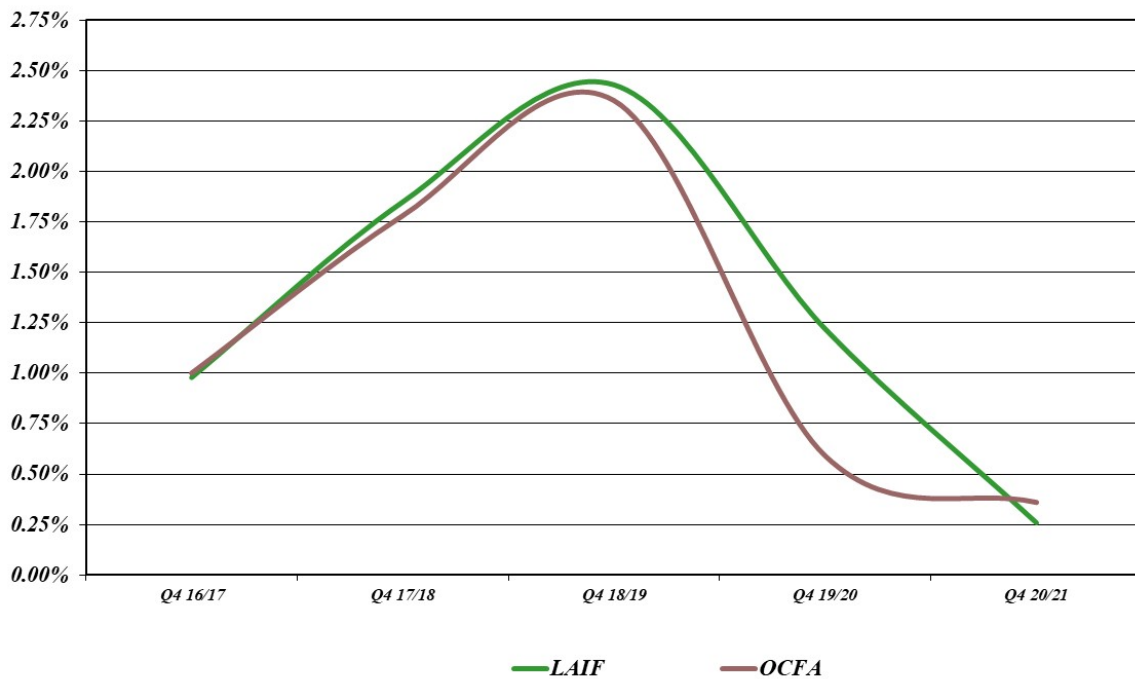




**PORTFOLIO PERFORMANCE AND  
COMPARISON TO BENCHMARKS**

The following chart provides a 5-year history of the Authority's portfolio yield from FY 2016/17 through FY 2020/21 compared to a 5-year history of LAIF's yield. As demonstrated with this historical view, OCFA's portfolio yield performs very similarly to LAIF.

**OCFA & LAIF Portfolio Yields - 5 Year History**





***REVIEW OF TRENDS REGARDING THE  
SIZE OF THE PORTFOLIO***

***Portfolio balances during FY 2020/21 remained about the same as in FY 2019/20.***

The size of the OCFA's portfolio fluctuates over the course of a fiscal year due to timing differences between cash receipts and disbursements. OCFA's largest cash receipts are from secured property taxes received in December and April and from cash contract payments received quarterly, except for the City of Santa Ana & the City of Garden Grove which pay monthly. Cash disbursements occur more evenly with biweekly payroll expenditures representing the largest component. These timing differences cause the General Fund to experience temporary cash shortages from July through mid-December.

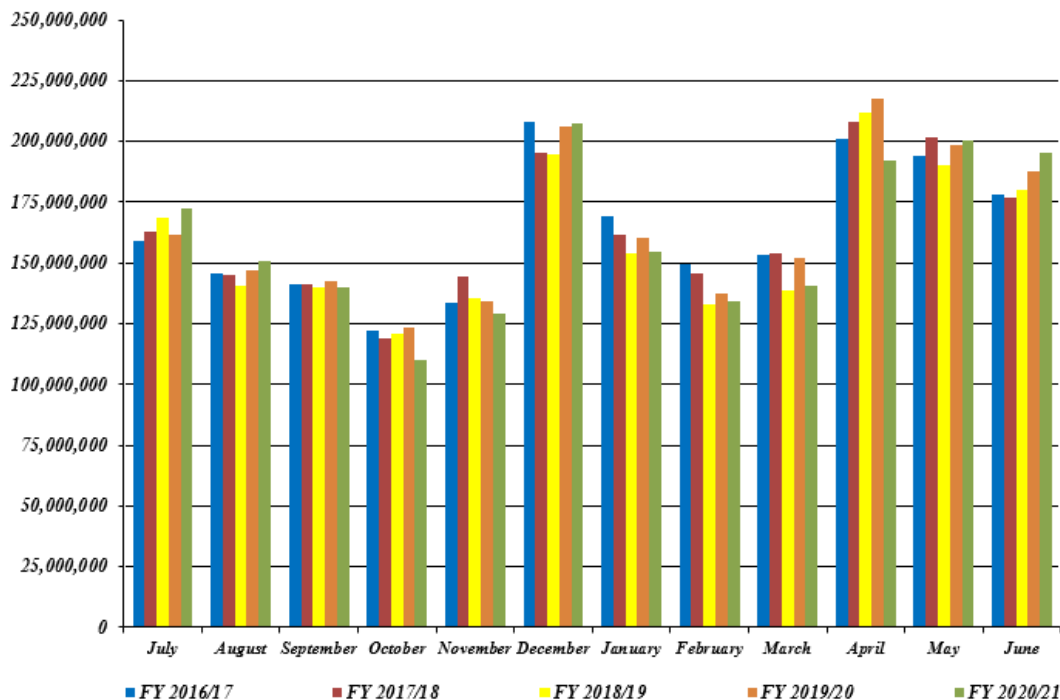
OCFA is able to meet its temporary cashflow timing shortages through use of a General Fund cashflow reserve, combined with interfund borrowing. In the past, OCFA has also used lease purchase financing to fund certain capital expenditures including helicopters, vehicles, communication equipment, and information systems.



### REVIEW OF TRENDS REGARDING THE SIZE OF THE PORTFOLIO

The following chart provides a 5-year history of the size of the OCFA's portfolio. During the last five fiscal years, portfolio balances have been rising gradually due to higher revenues, steady increase in the General Fund cashflow reserve and the Worker's Compensation Fund reserve. It should be noted, however, that the balances shown below represent total portfolio balance as opposed to fund balance available. Portfolio balance is always higher than fund balance because the portfolio includes cash and investments that are already committed to various contracts and purchase orders or that are reserved for future obligations.

*Size of the Portfolio - 5 Year Historical Trend*





## ***INVESTMENT RISK IN THE PORTFOLIO***

***Although all investments contain an element of risk, OCFA's Investment Policy, procedures, and investment strategies are designed to limit exposure to risk. The different types of risk are discussed below, as they pertain to the portfolio.***

### **Credit (Default) Risk**

Credit risk is defined as the risk to an investor that an issuer will default in the payment of interest and/or principal on a security. OCFA's investment policies and practices limit credit risk by:

- Limiting investments to the safest types of securities and highest quality issuers.
- Specifically excluding investments in equities, corporate bonds, derivatives, reverse repurchase agreements and financial futures or options.
- Avoiding investment in issuers placed on negative credit watch or with current events that involve negative financial implications.
- Pre-qualifying financial institutions and broker/dealers for competitive bidding of individual investment transactions.
- Diversifying investments so that potential losses on individual securities will be minimized.
- Reviewing monthly reports from the State Treasurer's Office regarding LAIF's performance.
- Requiring collateralization of demand deposits and certificates of deposit. MUFG Union Bank, as OCFA's bank, complies with all collateralization requirements for demand deposits.
- Safekeeping investments by separate agreement with a third-party qualified custodian.



## ***INVESTMENT RISK IN THE PORTFOLIO***

### **Market Risk**

Market risk is defined as the risk that the value of a security may fall as a result of changes in the financial markets, such as increases in interest rates. In periods of rising interest rates, the market value of a security can fall below the amount of principal invested. If an investor sells the security before maturity, part of the principal will be lost. OCFA reduces market risk by matching investment maturities with cash flow needs to minimize investments that may need to be sold prematurely.

### **Interest Rate Risk**

Interest rate risk is defined as the risk that an investor will under-perform the market, as a result of holding an investment with a lower yield than the current market rate. For example, if an investor holds a one-year certificate of deposit earning 2%, and interest rates rise to 4%, the investor would incur an opportunity cost of 2%. Investors can avoid interest rate risk by keeping maturities fairly short if interest rates are expected to rise.

***OCFA's portfolio reflected an average maturity under one year throughout FY 2020/21 due to projected cashflow needs and the continued decline in interest rates.***

### **Liquidity Risk**

Liquidity risk involves the ability to sell an investment before maturity. Some short-term investments are fairly illiquid. For example, a non-negotiable certificate of deposit is an illiquid asset that carries an interest penalty for early redemption. OCFA minimizes liquidity risk by maintaining a significant portion of its portfolio in very liquid instruments, such as LAIF where funds are immediately available, or Treasury and Agency securities, which have active secondary markets.





## **COMPOSITION OF THE PORTFOLIO**

### **Authorized Investments**

Section 10 of OCFA's Investment Policy lists the types of securities allowable for investment. Subject to stipulated restrictions, these include Treasury and Federal Agency securities, collateralized or insured passbook savings accounts and demand deposits, collateralized or insured certificates of deposit, bankers' acceptances, money market funds of short-term treasury securities, repurchase agreements, the Local Agency Investment Fund (LAIF), and commercial paper (rated A1/P1/F1) by the credit rating agencies Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings, respectively.

***OCFA's portfolio only included those investments authorized in  
Section 10 of the Policy in FY 2020/21.***

### **Portfolio Diversification**

Section 15.1 of the Policy sets parameters for portfolio diversification. OCFA's portfolio shall not be invested in a single security type or in a single financial institution/pool in excess of 15% of the total investment portfolio, with the exception of the following:

- |                                |      |
|--------------------------------|------|
| ➤ US Treasury Securities       | 100% |
| ➤ Local Agency Investment Fund | 75%  |
| ➤ Federal Agency Securities    | 75%  |
| ➤ Bankers' Acceptances         | 25%  |
| ➤ Negotiable CD's              | 25%  |



### COMPOSITION OF THE PORTFOLIO

#### Portfolio Diversification

|                   | <i>US Treasury<br/>Securities</i> | <i>LAIF</i> | <i>Federal<br/>Agencies</i> | <i>Commercial<br/>Paper</i> | <i>Money Market<br/>Mutual<br/>Funds</i> | <i>Total<br/>Portfolio</i> |
|-------------------|-----------------------------------|-------------|-----------------------------|-----------------------------|--|----------------------------|
| <b>Maximum</b>    | 100%                              | 75%         | 75%                         | 15%                         | 15%                                      | 100%                       |
| <b>FY Average</b> | 15.20%                            | 52.81 %     | 31.99%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>July</b>       | 7.95%                             | 49.67%      | 42.38%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>August</b>     | 8.63%                             | 53.96%      | 37.41%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>September</b>  | 14.50%                            | 57.25%      | 28.25%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>October</b>    | 6.80%                             | 72.81%      | 20.39%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>November</b>   | 20.66%                            | 61.98%      | 17.36%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>December</b>   | 40.21%                            | 39.68%      | 20.11%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>January</b>    | 39.04%                            | 51.37%      | 9.59%                       | 0.00%                       | 0.00%                                    | 100%                       |
| <b>February</b>   | 30.47%                            | 58.59%      | 10.94%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>March</b>      | 14.17%                            | 59.06%      | 26.77%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>April</b>      | 0.00%                             | 47.94%      | 52.06%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>May</b>        | 0.00%                             | 39.38%      | 60.62%                      | 0.00%                       | 0.00%                                    | 100%                       |
| <b>June</b>       | 0.00%                             | 42.03%      | 57.97%                      | 0.00%                       | 0.00%                                    | 100%                       |



## ***COMPOSITION OF THE PORTFOLIO***

### **Maturity Diversification**

In order to ensure sufficient liquidity and reduce market risk, Section 15.3 of the Policy requires that “at least 50% of the portfolio is limited to a period of one year or less,” and “unless matched to a specific requirement and approved by the Executive Committee and the Board of Directors, no portion of the portfolio may exceed five years.”

***OCFA’s portfolio complied with maturity diversification requirements as stated in Section 15.3 of the Policy throughout FY 2020/21.***

### **Market Value**

Section 18.1.7 of OCFA’s Investment Policy requires monthly reporting of the current market value of the securities in the portfolio. The Treasurer reports current market values of the portfolio in both the Portfolio Summary and the Portfolio Detail sections of the Monthly Investment Report. Market values are provided monthly by MUFG Union Bank and quarterly by the State Treasurer’s Office for the LAIF investment.



## ***GASB 31 IMPACTS***

### **What is GASB 31?**

The Governmental Accounting Standards Board's Statement 31, titled "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," establishes rules for reporting investment valuation. The Statement generally requires governmental entities to report investments at fair value in the financial statements and to reflect the related unrealized gains and losses as a component of investment income. Different rules apply to an *internal investment pool* (consisting *only* of the governmental entity's own funds) versus an *external investment pool* (consisting of combined funds from other legally separate entities, such as a state or county investment pool).

### **How Does GASB 31 Impact OCFA's Portfolio?**

On June 30, 2021, all of the Authority's investments were reported at fair value in compliance with GASB 31 guidelines. The fair value reporting of OCFA's investments resulted in a net decrease of \$199,026 to book value. **This fair value adjustment is for financial statement reporting only.**

Under GASB 31 guidelines, investment income is similarly increased/decreased for financial statement purposes. Investment income is impacted by the change in fair value of the investments from the beginning to the end of the reporting period. OCFA previously recognized and reported an increase/(gain) to investment valuation at June 30, 2020 of \$362,803; therefore, a net decrease of \$561,829 was recognized and recorded to investment earnings as of June 30, 2021 to reflect the decrease of \$199,026 in fair value of the investments at the end of the fiscal year.

|   |                        |
|---|------------------------|
| <i>GASB 31 Adjustment to Books – Beginning of year/(gain)</i> | <i>\$ 362,803.09</i>   |
| <i>Net Change/decrease to Investment Earnings</i>             | <i>\$ (561,829.32)</i> |
| <i>GASB 31 Adjustment to Books – End of year/loss</i>         | <i>\$ (199,026.23)</i> |



### ***INVESTMENT INCOME***

Portfolio investment income in FY 2020/21 amounted to \$555,477 (pre-GASB 31 adjustment) compared to \$2,589,245 in FY 2019/20. The decrease in investment income was due to the impact that the COVID-19 pandemic had on bond market yields which remained near zero. The effective yield for the portfolio was 0.36% in FY 2020/21 compared to 1.63% in FY 2019/20. This decrease in the overall effective yield from the prior year was consistent with the overall bond market performance.

### ***ANTICIPATED INVESTMENT ACTIVITY IN THE NEXT FISCAL YEAR***

Cash forecasts for FY 2021/22 are based primarily on the FY 2021/22 Adopted Budget. OCFA's Adopted Budget reflects revenues which are in balance with expenditures for the year, and the Budget will enable OCFA to sustain its reserves at the Board-mandated policy level. It is anticipated that the CIP Reserves will continue to be spent down this year on planned projects. The portfolio's balance is expected to decrease during the first quarter of the FY 2021/22 and will begin to increase in November and December when secured property tax payments are received.

In addition, there still remains a great deal of uncertainty regarding the path of the economic recovery. Since the Federal Reserve still maintains that it will not increase interest rates until 2023, slightly lower interest income can be expected during this fiscal year.



**TREASURER'S CERTIFICATION**

*"As Treasurer of the Orange County Fire Authority, I certify that I have complied with the annual Investment Policies adopted by the Board of Directors and effective January 1, 2020 and January 1, 2021."*

A handwritten signature in cursive script, appearing to read "Patricia Jakubiak".

Patricia Jakubiak  
Treasurer

8/25/21  
Date



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 3B**  
**Discussion Calendar**

**Budget Adjustment to Conduct Mandated Defensible Space**  
**Compliance Inspections per Assembly Bill 38**

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**Contact(s) for Further Information**

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714.573.6012

**Summary**

This item is submitted to request a budget adjustment and the addition of a Fire Prevention Specialist position to the Master Position Control List to support the implementation of Assembly Bill 38 to conduct CAL FIRE mandated defensible space compliance inspections.

**Prior Board/Committee Action(s)**

Not Applicable.

**RECOMMENDED ACTION(S)**

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting on September 23, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors:

1. Amend the Master Position Control List to add one Fire Prevention Specialist to conduct defensible space inspections located in the High or Very High Hazard Severity Zones.
2. Approve a Budget Adjustment to increase revenue by \$180,000 and expenditures by \$180,000, including \$135,000 in the General Fund (121) \$45,000 in the Fleet CIP Fund (133).

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Increased costs to OCFA are anticipated to be fully covered by an increase in CAL FIRE contract revenue. The FY 2021/22 revenue and expenditures will be increased by \$180,000, including \$135,000 in the General Fund (121) and \$45,000 in the Fleet CIP Fund (133).

**Background**

In 2019, Governor Newsom signed Assembly Bill 38 into law, requiring all real properties sold in the High or Very High Fire Hazard Severity Zones to have a compliant Defensible Space inspection, as well as home hardening disclosure. Specifically, as of July 1, 2021, all sellers of real property located in the High or Very High Hazard Severity Zones, as part of escrow documentation, are to provide a prescribed disclosure notice to the buyer as to the degree of local

ordinance compliance. This action requires the Authority having jurisdiction to conduct an inspection and provide documentation as such. Serving as a contract county with CAL FIRE, the facilitation of AB38 falls to the Wildland Pre-Fire Management team. CAL FIRE is providing prorated funds in the approximate amount of \$180,000 in perpetuity to fund an additional Inspector, as well as initial and ongoing equipment expenses, as shown below:

| <b>Item</b>  | <b>Initial Cost</b> | <b>Ongoing/<br/>Annual Costs</b> |
|--|---------------------|----------------------------------|
| Fire Prevention Specialist;<br>Salary & Benefits, training/misc. support costs | \$121,868*          | \$173,940                        |
| Vehicle; 4x4 SUV   | \$45,000            | \$4,500                          |
| Vehicle OCFA outfitting  | \$6,132             | -                                |
| PC/ Printer/Cell Phone   | \$2,000             | \$1,240                          |
| Radio  | \$5,000             | \$320                            |
| <b>Total</b>   | <b>\$180,000</b>    | <b>\$180,000</b>                 |

\*Partial year funding.

#### **Attachment(s)**

State of California Memorandum/Funding Commitment Document



State of California

Natural Resources Agency

# Memorandum

**To:** Lori Smith  
Assistant Chief / Fire Marshal  
Orange County Fire Authority

**July 6, 2021**

**From:** Jackie Williams  
Deputy Chief, Contract Counties  
**California Department of Forestry and Fire Protection (CAL FIRE)**

**Subject: AB 38 Defensible Space Inspections position funding**

In 2019, Governor Newsom signed Assembly Bill 38 into law, requiring all homes sold in the High or Very High Fire Hazard Severity Zone (FHSZ) to have a compliant Defensible Space inspection. Starting July 1, 2021, CAL FIRE is mandated to conduct defensible space compliance inspections upon request for the sale of real property in the State Responsibility Area High and Very High FHSZ. CAL FIRE submitted a Budget Change Proposal requesting 21 (full time) Forestry Technicians, one per CAL FIRE Unit, with commensurate funding for the Contract Counties.

Each Contract County will receive approximately \$180,000 a year on-going beginning in the fiscal year 2021/2022 to support the implementation of Assembly Bill 38, real estate disclosure defensible space inspections.

If you have any questions, please contact:

Jackie Williams, Deputy Chief – Contract Counties, 951.840.8363.

**cc:** Gabriella Avina, Staff Chief – Cooperative Fire Programs



**Orange County Fire Authority**  
**AGENDA STAFF REPORT**

**Budget and Finance Committee Meeting**  
**September 8, 2021**

**Agenda Item No. 3C**  
**Discussion Calendar**

**Carryover of FY 2020/21 Uncompleted Projects**

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**Contact(s) for Further Information**

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Stuart Lam, Budget Manager  
Treasury & Financial Planning

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714.573.6302

**Summary**

This agenda item is a routine annual request for approval to carryover funding for various projects, grants, and unexpended funds that were not used in FY 2020/21 and require funding into FY 2021/22.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Review the proposed agenda item and direct staff to place the item on the agenda for the Board of Directors meeting of September 23, 2021, with the Budget and Finance Committee's recommendation that the Board of Directors authorize the following proposed budget adjustments:

1. Approve a budget adjustment in the FY 2021/22 General Fund (121) increasing revenues by \$16,637,547 and expenditures by \$17,174,678.
2. Approve a budget adjustment in the FY 2021/22 General Fund CIP (12110) increasing expenditures by \$6,025,736.
3. Approve a budget adjustment in the FY 2021/22 Fire Stations and Facilities Fund (123) increasing expenditures by \$6,818,795.
4. Approve a budget adjustment in the FY 2021/22 Communications and Information Systems Fund (124) increasing expenditures by \$3,741,515.
5. Approve a budget adjustment in the FY 2021/22 Fire Apparatus Fund (133) increasing expenditures by \$10,414,456.
6. Approve a budget adjustment in the FY 2021/22 Settlement Agreement Fund (139) increasing expenditures by \$1,500,000.
7. Approve a budget adjustment in the FY 2021/22 Structural Fire Entitlement Fund (171) increasing expenditures by \$1,120,305.

**Impact to Cities/County**

The proposed adjustments to the FY 2021/22 budget will have no impact to cash contract city charges.

### **Fiscal Impact**

Approval of the requested adjustments will accommodate a change in timing of revenues and appropriations, from FY 2020/21 into FY 2021/22, in the funds listed as per the recommended actions.

### **Background**

The annual carryover request includes projects in the General, Capital Improvement Program and other funds, as summarized in the table below. Due to the complexity, size, timing and resources available to complete projects, as well as changes in priorities, not all projects were completed within the fiscal year. Therefore, staff is recommending to carryover the appropriations for such projects so that they may continue and be completed within fiscal year 2021/22. Carryover requests reflect simply a timing change of planned expenditures.

| <b>General Fund</b>                  | <b>Revenues</b>     | <b>Expenditures</b> |
|--------------------------------------|---------------------|---------------------|
| Grants                               | \$7,545,930         | \$7,545,930         |
| Donations                            | \$100,000           | \$372,898           |
| Project Specific Funds (QRF & FIRIS) | \$8,991,617         | \$8,991,617         |
| Other Services & Supplies            | -                   | \$264,233           |
| <b>Total General Fund</b>            | <b>\$16,637,547</b> | <b>\$17,174,678</b> |

| <b>Capital Improvement Program Funds</b> | <b>Revenues</b> | <b>Expenditures</b> |
|--|-----------------|---------------------|
| GF Capital Improvement Program (12110)   | -               | \$6,025,736         |
| Fire Stations & Facilities (123)         | -               | \$6,818,795         |
| Comm. & Info Systems (124)               | -               | \$3,741,515         |
| Vehicle Replacement (133)                | -               | \$10,414,456        |
| Settlement Agreement (139)               | -               | \$1,500,000         |
| SFF Entitlement Fund (171)               | -               | \$1,120,305         |

Staff recommends the approval of the recommended actions.

### **Attachment(s)**

Carryover FY 2020/21 into FY 2021/22

**ORANGE COUNTY FIRE AUTHORITY**  
**Carryover FY 2020/21 to FY 2021/22**

| <b>Fund#</b>                         | <b>Description</b>                                      | <b>Carryover<br/>Revenue</b>         | <b>Carryover<br/>Expenditure</b> | <b>Budget by<br/>Category</b> | <b>Appropriate<br/>Fund<br/>Balance</b> |
|--------------------------------------|---|--------------------------------------|----------------------------------|-------------------------------|---|
| <b>Fund 121 - General Fund</b>       |   |                                      |                                  |                               |   |
|                                      | <b>Restricted</b>                                       |                                      |                                  |                               |   |
| 121                                  | US&R Grant (2019 & 2020)                                | 732,428                              | 732,428                          |                               | -                                       |
| 121                                  | FIRIS Program 2.0                                       | 572,069                              | 572,069                          |                               | -                                       |
| 121                                  | AFG Fireground Survival Training Program Grant          | 788,365                              | 788,365                          |                               | -                                       |
| 121                                  | State Homeland Security Program Grant                   | 11,565                               | 11,565                           |                               | -                                       |
| 121                                  | CalFire Tree Pest Mitigation Grant                      | 4,578,835                            | 4,578,835                        |                               | -                                       |
| 121                                  | CalFire Fire Prevention Camera Grant                    | 30,952                               | 30,952                           |                               | -                                       |
| 121                                  | CalFire Augmentation / GGRF                             | 1,403,785                            | 1,403,785                        |                               | -                                       |
| 121                                  | Maruchan Donation                                       | 100,000                              | 372,898                          |                               | 272,898                                 |
| 121                                  | Quick Reaction Force Program                            | 8,419,548                            | 8,419,548                        |                               | -                                       |
|                                      |   |                                      | <b>Restricted</b>                | <b>16,910,445</b>             |   |
|                                      | <b>Other Services &amp; Supplies</b>                    |                                      |                                  |                               |   |
| 121                                  | Fire Chief Training Opportunities                       |                                      | 13,585                           |                               | 13,585                                  |
| 121                                  | Pipes & Drums/Honor Guard                               |                                      | 13,652                           |                               | 13,652                                  |
| 121                                  | AFG Fireground Survival Training Program (OCFA Portion) |                                      | 59,326                           |                               | 59,326                                  |
| 121                                  | IMT Logistical Support                                  |                                      | 57,670                           |                               | 57,670                                  |
| 121                                  | Upgrade Crash Unit Headsets                             |                                      | 20,000                           |                               | 20,000                                  |
| 121                                  | Outfitting Equipment Carryover from Fund 133            |                                      | 100,000                          |                               | 100,000                                 |
|                                      |   | <b>Other Services &amp; Supplies</b> |                                  | <b>264,233</b>                |   |
| <b>Total: Fund 121</b>               |   | <b>16,637,547</b>                    | <b>17,174,678</b>                | <b>17,174,678</b>             | <b>537,131</b>                          |
| <b>Fund 12110 - General Fund CIP</b> |   |                                      |                                  |                               |   |
|                                      | <b>Equipment</b>  |                                      |                                  |                               |   |
| 12110                                | Data Storage, Backup, Recovery (P339)                   |                                      | 88,655                           |                               | 88,655                                  |
| 12110                                | RFOTC Uninterruptible Power System Replace (P409)       |                                      | 459,438                          |                               | 459,438                                 |
| 12110                                | RFOTC and Fire Station Data Network Upgrades (P337)     |                                      | 157,629                          |                               | 157,629                                 |
| 12110                                | Small Equipment/Personal Communications (P330)          |                                      | 71,559                           |                               | 71,559                                  |
| 12110                                | Personal Computer (PC), Tablets, Printer Replace (P331) |                                      | 145,329                          |                               | 145,329                                 |
| 12110                                | Mobile Data Computer (MDC) system (P303)                |                                      | 145,824                          |                               | 145,824                                 |
| 12110                                | 800 MHz Radios (P332)                                   |                                      | 167,578                          |                               | 167,578                                 |
| 12110                                | VHF Radios (P333)                                       |                                      | 13,043                           |                               | 13,043                                  |
| 12110                                | Digital Orthophotography (P341)                         |                                      | 17,725                           |                               | 17,725                                  |
| 12110                                | WMD Protective Suits/Respirator Canisters (P428)        |                                      | 309,505                          |                               | 309,505                                 |
| 12110                                | High Pressure Airbags (P410)                            |                                      | 29,854                           |                               | 29,854                                  |
|                                      |   |                                      | <b>Equipment</b>                 | <b>1,606,140</b>              |   |
|                                      | <b>Fire Station Improvements</b>                        |                                      |                                  |                               |   |
| 12110                                | Enterprise Phone/Public Address System Upgrade (P408)   |                                      | 1,399,555                        |                               | 1,399,555                               |
| 12110                                | FS Telephone/Alarm/Sound System Upgrade (P334)          |                                      | 50,661                           |                               | 50,661                                  |
| 12110                                | Station Bathroom Inclusive Facilities (P413)            |                                      | 1,501,431                        |                               | 1,501,431                               |
| 12110                                | FS#53 (Yorba Linda) - Dormitory Privacy (P416)          |                                      | 212,821                          |                               | 212,821                                 |
| 12110                                | FS#41 (Heli Ops) Dorm Privacy, Training, Kitchen (P417) |                                      | 1,255,128                        |                               | 1,255,128                               |
|                                      |   | <b>Fire Station Improvements</b>     |                                  | <b>4,419,596</b>              |   |
| <b>Total: Fund 12110</b>             |   | <b>-</b>                             | <b>6,025,736</b>                 | <b>6,025,736</b>              | <b>6,025,736</b>                        |

**ORANGE COUNTY FIRE AUTHORITY**  
**Carryover FY 2020/21 to FY 2021/22**

| <b>Fund#</b>   | <b>Description</b>  | <b>Carryover<br/>Revenue</b> | <b>Carryover<br/>Expenditure</b> | <b>Budget by<br/>Category</b> | <b>Appropriate<br/>Fund<br/>Balance</b> |
|--|---|------------------------------|----------------------------------|-------------------------------|---|
| <b>Fund 123 - Fire Stations and Facilities</b>             |   |                              |                                  |                               |   |
| <b>Fire Station Improvements</b>                           |   |                              |                                  |                               |   |
| 123  | Retrofit Existing Station Fire Life Safety Systems (P258) |                              | 748,350                          |                               | 748,350                                 |
| 123  | Replacement of Fire Station 10 (Yorba Linda) (P503)       |                              | 530                              |                               | 530                                     |
| 123  | Replacement of Fire Station 24 (Mission Viejo) (P554)     |                              | 1,000,000                        |                               | 1,000,000                               |
| 123  | Fire Station 49 Apparatus Bay Floor Reconstruction (P253) |                              | 997,538                          |                               | 997,538                                 |
|  | <b>Fire Station Improvements</b>                          |                              |                                  | <b>2,746,418</b>              |   |
| <b>Other Facility Improvements</b>                         |   |                              |                                  |                               |   |
| 123  | RFOTC Training Grounds Expansion & Upgrade (P251)         |                              | 2,725,780                        |                               | 2,725,780                               |
| 123  | Infrastructure Security Enhancements (P247)               |                              | 1,346,597                        |                               | 1,346,597                               |
|  | <b>Other Facility Improvements</b>                        |                              |                                  | <b>4,072,377</b>              |   |
| <b>Total: Fund 123</b>                                     |   | <b>-</b>                     | <b>6,818,795</b>                 | <b>6,818,795</b>              | <b>6,818,795</b>                        |
| <b>Fund 124 - Communications &amp; Information Systems</b> |   |                              |                                  |                               |   |
| <b>Communications &amp; Equipment</b>                      |   |                              |                                  |                               |   |
| 124  | OCFA Enterprise Audio Video Equipment Upgrades (P350)     |                              | 431,728                          |                               | 431,728                                 |
|  | <b>Communications &amp; Equipment</b>                     |                              |                                  | <b>431,728</b>                |   |
| <b>Applications and Systems Upgrade</b>                    |   |                              |                                  |                               |   |
| 124  | RFOTC Data Center Fire Suppression Sys Upgrade (P348)     |                              | 873,362                          |                               | 873,362                                 |
| 124  | CRR Automation - IFP Replacement (P326)                   |                              | 1,189,551                        |                               | 1,189,551                               |
| 124  | EMS Enterprise System Development (P353)                  |                              | 500,000                          |                               | 500,000                                 |
| 124  | Incident Reporting Application Replacement (P325)         |                              | 140,170                          |                               | 140,170                                 |
| 124  | Next Generation CAD2CAD (P347)                            |                              | 17,900                           |                               | 17,900                                  |
|  | <b>Applications and Systems Upgrade</b>                   |                              |                                  | <b>2,720,983</b>              |   |
| <b>Business Continuity</b>                                 |   |                              |                                  |                               |   |
| 124  | OCFA Disaster Recovery Co-Location Facility (P349)        |                              | 588,804                          |                               | 588,804                                 |
|  | <b>Business Continuity</b>                                |                              |                                  | <b>588,804</b>                |   |
| <b>Total: Fund 124</b>                                     |   | <b>-</b>                     | <b>3,741,515</b>                 | <b>3,741,515</b>              | <b>3,741,515</b>                        |
| <b>Fund 133 - Vehicle Replacement Fund</b>                 |   |                              |                                  |                               |   |
| 133  | Squad   |                              | 200,000                          |                               | 200,000                                 |
| 133  | Superintendent Vehicle                                    |                              | 154,500                          |                               | 154,500                                 |
| 133  | Truck   |                              | 9,327,923                        |                               | 9,327,923                               |
| 133  | Paramedic Squad   |                              | 273,033                          |                               | 273,033                                 |
| 133  | Gradall Forklift  |                              | 100,000                          |                               | 100,000                                 |
| 133  | Golf Cart/Utility Cart                                    |                              | 13,000                           |                               | 13,000                                  |
| 133  | Hook Truck  |                              | 140,000                          |                               | 140,000                                 |
| 133  | Hook Truck Bin  |                              | 40,000                           |                               | 40,000                                  |
| 133  | Step Van  |                              | 116,000                          |                               | 116,000                                 |
| 133  | Trailer - IT/IMT  |                              | 50,000                           |                               | 50,000                                  |
| <b>Total: Fund 133</b>                                     |   | <b>-</b>                     | <b>10,414,456</b>                | <b>10,414,456</b>             | <b>10,414,456</b>                       |
| <b>Fund 139 - Settlement Agreement Fund</b>                |   |                              |                                  |                               |   |
| 139  | Joint Training Facility Design Allocation                 |                              | 1,000,000                        |                               | 1,000,000                               |
| 139  | Bidirectional Amplifiers                                  |                              | 500,000                          |                               | 500,000                                 |
| <b>Total: Fund 139</b>                                     |   | <b>-</b>                     | <b>1,500,000</b>                 | <b>1,500,000</b>              | <b>1,500,000</b>                        |
| <b>Fund 171 - Structural Fire Fund Entitlement Fund</b>    |   |                              |                                  |                               |   |
| 171  | Balance of remaining SFF funds                            |                              | 1,120,305                        |                               | 1,120,305                               |
| <b>Total: Fund 171</b>                                     |   | <b>-</b>                     | <b>1,120,305</b>                 | <b>1,120,305</b>              | <b>1,120,305</b>                        |



Orange County Fire Authority  
**AGENDA STAFF REPORT**

Budget and Finance Committee Meeting  
September 8, 2021

Agenda Item No. 3D  
Discussion Calendar

**Follow-up to Fleet Replacement and Maintenance  
Analysis Request**

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**Contact(s) for Further Information**

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714.573.6012

**Summary**

This item presents follow-up information as requested during the review of the Fiscal Year 2021/22 Proposed General Fund and Capital Improvement Program (CIP) Budget pertaining to Fleet vehicle replacement and maintenance.

**Prior Board/Committee Action**

Not Applicable.

**RECOMMENDED ACTION(S)**

Receive and file.

**Impact to Cities/County**

Not Applicable.

**Fiscal Impact**

Not Applicable.

**Background**

Staff has prepared the following information in response to the questions and comments made by the Budget & Finance Committee and Board of Directors during the Fiscal Year 2021-22 budget approval process.

**Question/Comment 1:** *California State Association of Counties (CSAC) has a contract with Enterprise for leasing of vehicles, and the Kern County Sheriff also leases through Enterprise for public safety vehicles in order to save money. Can OCFA explore leasing of vehicles in lieu of purchasing?*

A review of available fleet leasing programs implemented by other agencies has confirmed that various forms of lease-purchase or open-end lease agreements options are available to consider when procuring fleet vehicles or fire apparatus. Agencies that staff researched include the City of Dana Point and City of Houston fleet leasing programs with Enterprise, and programs implemented by the City of Long Beach and Kern County.

Based on the above-mentioned staff research, lease-purchase financings are available as an alternative to up-front purchases of apparatus, versus shorter term turn-in leases, due to the useful life of apparatus typically reaching at least 15 years. A lease-purchase, which allows the leasee to determine the optimal useful life of the vehicle, provides options for financing terms, including the length of the financing and the amount of up-front capital outlay. An example lease/purchase-to-own offering for fire apparatus received by staff, compared to an 100% up-front purchase, resulted in a higher premium cost ranging from 12% to 19% (percent of interest charges / base unit cost) depending on the lease term (10, 12, or 15 years), which for an \$850,000 apparatus, would add approximately \$101,000 to \$164,500 to the total cost over the life of the unit. Market conditions at the time a vehicle bid is solicited may result in a smaller cost premium for a lease-purchase compared to an up-front purchase, or could be reduced by pre-paying any portion of the purchase.

In addition to requesting and receiving example lease/purchase offers from firms offering programs for fire apparatus, staff conducted interviews with agency staff and reviewed presentation materials from agencies that have opted to partially finance their fleet purchases through leasing programs. In each instance, agencies opting to use lease-purchases for apparatus, or turn-in leases for light-duty vehicles, did so primarily to address aging fleet assets with limited available capital funding. Staff also reviewed a light-duty vehicle turn-in lease program based on high volume government agency pricing, where savings were dependent on timing the return of vehicles during periods of optimal used vehicle market conditions. This turn-in lease program has some inherent risk to it and may not generate the intended costs savings if the used vehicle market is not in OCFA's favor.

*Going forward:*

Where viable, staff will include lease-purchase financing options into future RFP processes as an additional strategic tool for meeting OCFA's overall Capital Program funding requirements. This will allow OCFA to select the most cost-effective procurement approach as well as monitor full purchase and lease option opportunities.

**Question/Comment 2:** *During the B&FC budget presentation, staff stated that continued reliance on old vehicles becomes costly to maintain vs. purchasing new replacement vehicles. Can staff please provide data in support of this statement?*

The fleet management industry standard rule of thumb<sup>1</sup> is for fleet operations to replace light-duty vehicles every four to seven years or 100,000 miles, and heavy-duty trucks every eight to ten years. The maximum expected useful life for OCFA fire apparatus is generally fifteen years<sup>2</sup>. OCFA's adopted age and mileage standards for vehicle useful life, shown below, are generally consistent with or less stringent than the industry standards, and deemed suitable for OCFA according to the Citygate Service Level Assessment completed in June of 2020.

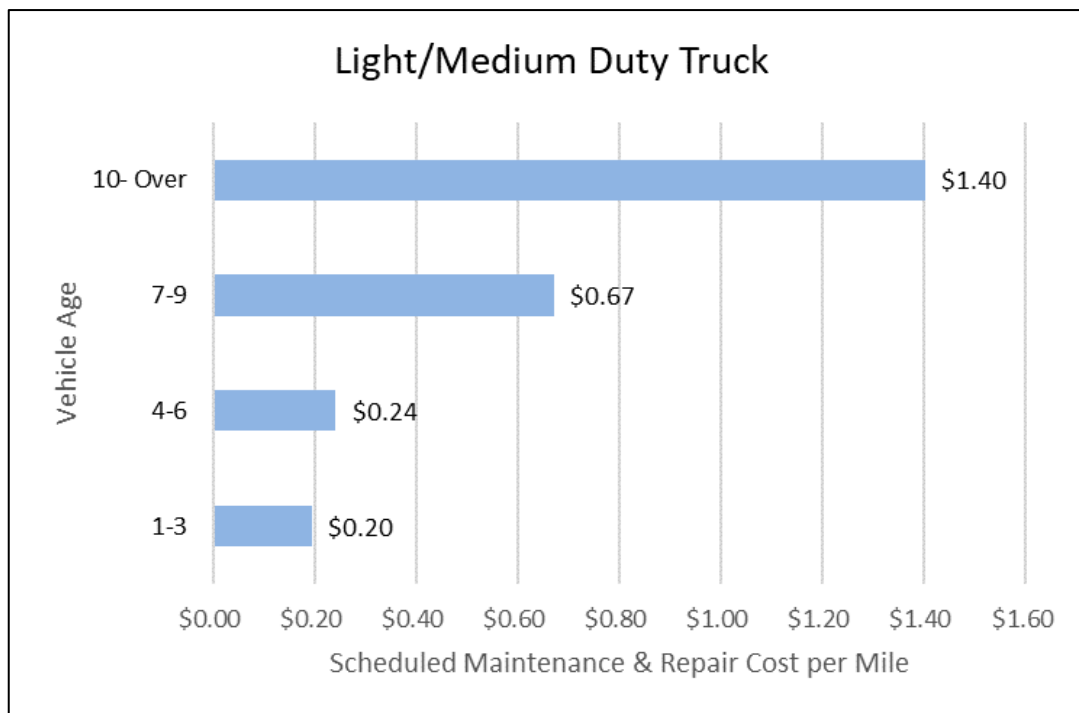
<sup>1</sup> Sources: Government Fleet, Calif. Department of General Services,

<sup>2</sup> Source: FireRescue1

### OCFA Adopted Fleet Replacement Criteria

| Vehicle Class     | Age | Mileage |
|-------------------|-----|---------|
| Fire Apparatus    | 15  | 120,000 |
| Heavy Duty        | 15  | 120,000 |
| Medium-Light Duty | 7   | 120,000 |

A review of fleet management system data (AssetWorks) taken for a prior twelve-month period (May 2020 to April 2021), using light/medium duty trucks, confirmed that average costs for maintenance and repair more than doubled, based on age alone, at the 10-year mark. Also, it should be noted that the increased cost based on vehicle age is understated in that vehicles with an impending failure of a major component late in their expected useful life are generally surplused to avoid the associated major costs and significant down-time. Aside from increased repair, maintenance, and fuel costs, declining performance and reliability are unavoidable if vehicles are utilized beyond these standards.



Most notably, OCFA's age and mileage standards for vehicle useful life do not determine the time of replacement, but instead provide the threshold that triggers a comprehensive assessment of the vehicle's overall condition, including but not limited to safety, reliability record, and projected major repair costs. These assessments can result in an extension of the vehicle's service or qualify the unit for service in our reserve fleet pool. To further optimize the useful life of OCFA's fleet assets, where practical, units are reassigned as needed based on mileage, allowing a number of vehicles to remain in service beyond the established standard for expected life in years only if cost and operationally effective to do so.



An additional ongoing effort to manage fleet costs is the acquisition of used vehicles or fleet equipment when practical. Examples from the prior fiscal year include acquisition of the fully outfitted Heavy Rescue Truck resulting in a cost savings of approximately \$100,000, and trailer equipment purchases for a cost savings of approximately \$153,000.

*Going forward:*

Staff will continue to perform ongoing analysis of OCFA's fleet maintenance program to monitor and ensure fleet reliability while remaining cost effective.

**Attachment(s)**

None.