



ORANGE COUNTY FIRE AUTHORITY

AGENDA

EXECUTIVE COMMITTEE REGULAR MEETING

Thursday, March 25, 2021

5:30 P.M.

**Regional Fire Operations and Training Center
Board Room**

1 Fire Authority Road
Irvine, CA 92602

Dave Shawver, Chair

Michele Steggell, Vice Chair

Shelley Hasselbrink • Joe Muller • Donald P. Wagner • Noel Hatch

Gene Hernandez • Leticia Clark • John O'Neill

Ex Officio Member - Dennis Wilberg, Mission Viejo

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 Executive 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**

During the Statewide COVID-19 Emergency, the public is not permitted to convene in person for this public meeting. However, the public may still view and comment on the meeting as follows:

- To watch the meeting online, please go to website at www.OCFA.org
- To submit an e-comment, please email to 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 Committee. Comments related to a particular agenda item will only be considered prior to the close of public comments on that item.

CALL TO ORDER by Chair Shawver

INVOCATION by OCFA Chaplain Kent Kraning

PLEDGE OF ALLEGIANCE by Vice Chair Steggell

ROLL CALL by Clerk of the Authority

REPORTS

A. Report from the Budget and Finance Committee Chair

PUBLIC COMMENTS

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

1. PRESENTATIONS

No items.

2. CONSENT CALENDAR

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

A. Minutes from the February 25, 2021, Regular Executive Committee Meeting

Submitted by: Maria D. 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: Tricia Jakubiak, Treasurer

Budget and Finance Committee reviewed the proposed agenda item and directed staff to place on the Executive Committee agenda for approval by 7-0 vote (Directors Bourne and Sachs absent).

Recommended Action:

Receive and file the reports.

C. Agreement for the Purchase of a Used Heavy Rescue Vehicle from the City of Fullerton
Submitted by: Jim Ruane, Assistant Chief/Logistics and Kevin Berghaus, Fleet Services Manager

Recommended Actions:

1. Approve and authorize the Purchasing Manager to issue a purchase order to the City of Fullerton for the purchase of used Heavy Rescue Vehicle No. 5460, radios, and associated accessories in an amount not to exceed \$60,000; and
2. Approve as to form and authorize the Purchasing Manager to execute the Bill of Sale and Notice of Release of Liability.

3. DISCUSSION CALENDAR

No items.

CLOSED SESSION

No items.

COMMITTEE MEMBER COMMENTS

ADJOURNMENT –The next regular meeting of the Orange County Fire Authority Executive Committee is scheduled for Thursday, April 22, 2021, at 5:30 p.m.

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.

Maria D. Huizar, CMC
Clerk of the Authority

UPCOMING MEETINGS:

Budget and Finance Committee
Executive Committee
Board of Directors

Wednesday, April 14, 2021, 12 noon
Thursday, April 22, 2021, 5:30 p.m.
Thursday, April 22, 2021, 6:00 p.m.

MINUTES ORANGE COUNTY FIRE AUTHORITY

**Executive Committee Regular Meeting
Thursday, February 25, 2021
5:30 P.M.**

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

CALL TO ORDER

Chair Shawver called the regular meeting of the Orange County Fire Authority Executive Committee to order at 5:31 p.m. on February 25, 2021.

INVOCATION

The invocation was led by Chaplain Robert Benoun.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Present: Dave Shawver, Stanton, Chair
Michele Steggell, La Palma, Vice Chair
Shelley Hasselbrink, Los Alamitos
Joe Muller, Dana Point*
Gene Hernandez, Yorba Linda*
Letitia Clark, Tustin*
John O'Neill, Garden Grove

Absent: Noel Hatch, Laguna Woods
Donald P. Wagner, County of Orange

Also present were:

Fire Chief Brian Fennessy	Deputy Chief Lori Zeller
Deputy Chief Kenny Dossey	Assistant Chief Robert Cortez
Assistant Chief Randy Black	Assistant Chief Lori Smith
Assistant Chief Jim Ruane	General Counsel David Kendig
Assistant Chief Phil Johnson	Assistant Chief Stephanie Holloman
Clerk of the Authority Maria D. Huizar	Dir. of Communications Colleen Windsor

REPORTS

A. Report from the Budget and Finance Committee Chair (FILE 12.02A6)

Budget and Finance Committee Chair Joe Muller reported at the February 10, 2021, meeting, the Committee voted unanimously to approve and forward the Second Quarter Financial Newsletter and Monthly Investment Reports to the Executive Committee to receive and file the reports. The Committee voted unanimously to approve and forward the Audited Financial Reports for the Fiscal Year Ended June 30, 2020, and Emergency Medical Services Optimization Study, to the Board of Directors for approval of the recommended actions. Lastly, the Committee held elections for the Chair and Vice Chair positions, electing, Joe Muller as the Chair and Director Ta as Vice Chair, for the ensuing term.

B. Report from the Human Resources Committee Chair (FILE 12.02A6)

Human Resources Committee Chair Michele Steggell reported at the February 2, 2021, meeting, the Committee received an update from Assistant Chief of Emergency Medical Services, Randy Black, on the OCFA Cancer Awareness & Prevention Month held in January, in cooperation with Local 3631 to fight against firefighter cancer. Assistant Chief of Human Resources Stephanie Holloman provided a 90-Day Report update of strategic goals and objectives underway within the Human Resources department. Assistant Chief Holloman also presented employment law updates that went into effect in 2020/2021 including new Cal/OSHA reporting requirements; the comprehensive Consolidated Appropriations Act signed into law in December 2020; and other significant State legislative actions governing Human Resources processes. Lastly, the Committee held elections for the Chair and Vice Chair positions, electing Director Hernandez as Vice Chair, and Michele Steggell as Chair for the ensuing term.

PUBLIC COMMENTS

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

1. PRESENTATIONS

No items.

2. CONSENT CALENDAR

A. Minutes from the January 28, 2021, Regular Executive Committee Meeting (FILE 11.06)

On motion of Director Hernandez and second by Director Hasselbrink, and following a roll call vote, declared passed 7-0 to approve the Items 2A-2C as submitted (Directors Wagner and Hatch absent).

Action: Approve as submitted.

B. Second Quarter Financial Newsletter (FILE 15.07)

Action: Receive and file the report.

C. Monthly Investment Reports (FILE 11.10D2)

Action: Receive and file the reports.

3. DISCUSSION CALENDAR

No items.

CLOSED SESSION

No items.

COMMITTEE MEMBER COMMENTS

The Committee Members offered no comments.

ADJOURNMENT – Chair Shawver adjourned the meeting at 5:40 p.m. The next regular meeting of the Orange County Fire Authority Executive Committee is scheduled for Thursday, March 25, 2021, at 5:30 p.m.

Maria D. Huizar, CMC
Clerk of the Authority



Orange County Fire Authority
AGENDA STAFF REPORT

Executive Committee Meeting
March 25, 2021

Agenda Item No. 2B
Consent Calendar

Monthly Investment Reports

Contact(s) for Further Information

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Business Services Department

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Treasury & Financial Planning

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James Slobojan, Assistant Treasurer
Treasury & Financial Planning

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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

Budget and Finance Committee reviewed and approved recommendation at their March 10, 2021, Regular meeting by a 7-0 vote (Directors Bourne and Sachs absent).

RECOMMENDED ACTION(S)

Receive and file the reports.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Not Applicable.

Background

Attached is the final monthly investment report for the month ended January 31, 2021. A preliminary investment report as of February 19, 2021, is also provided as the most complete report that was available at the time this agenda item was prepared.

Attachment(s)

Final Investment Report – January 2021/Preliminary Report – February 2021

Orange County Fire Authority Monthly Investment Report



Final Report – January 2021

Preliminary Report – February 2021



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Orange County Fire Authority

Final Investment Report

January 31, 2021



EXECUTIVE SUMMARY

Portfolio Activity & Earnings

During the month of January 2021, the size of the portfolio decreased significantly by \$52.5 million to \$154.6 million. Significant receipts for the month included monthly cash contract payments, secured and supplemental apportionments of property taxes, intergovernmental agency and grant payments and other charges for current services totaling \$21.4 million. Significant disbursements for the month included primarily two biweekly payrolls which totaled approximately \$29.5 million with related benefits. Total January cash outflows amounted to approximately \$73.4 million. Included in that amount was a \$39.4 million pre-payment of employer retirement costs to OCERs for the 2021/22 fiscal year. The portfolio's balance is expected to decrease in February, which is historically a low dollar amount receipt month.

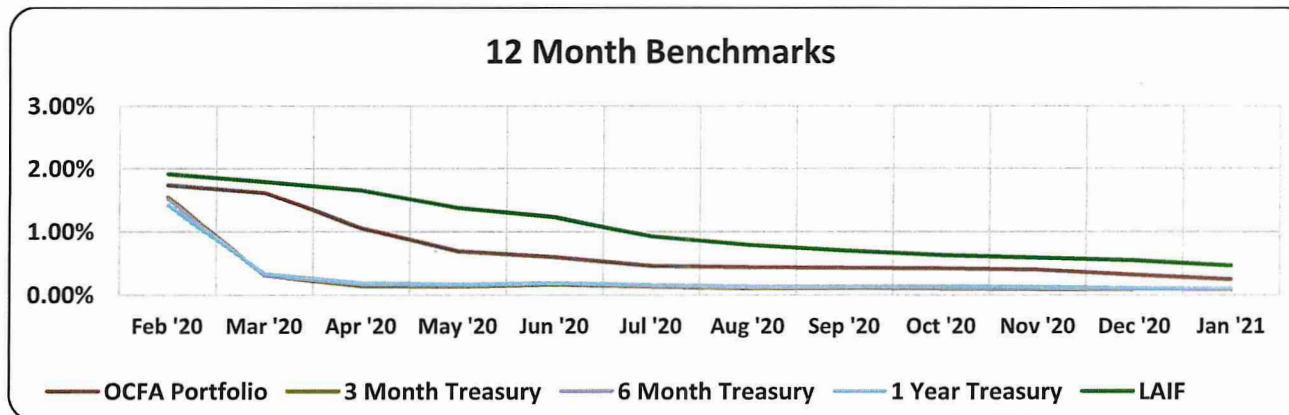
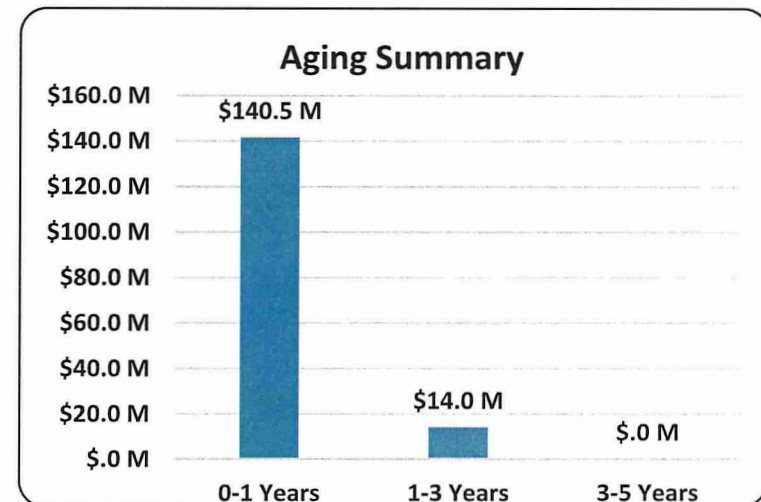
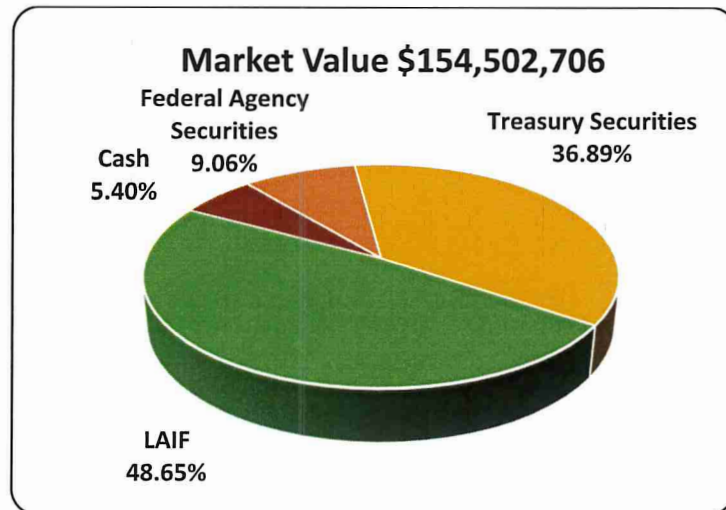
In January, the portfolio's yield to maturity (365-day equivalent) increased by 2 basis points to 0.28%. The effective rate of return decreased by 11 basis points to 0.24% for the month, and the average maturity of the portfolio decreased by 1 day to 26 days to maturity.

Economic News

In January 2021, the U.S. unemployment rate dropped slightly to 6.3% from December's 6.7%. Job growth returned in January with the addition of 49,000 jobs, however, the unemployment rate fell mostly due to the estimated number of Americans (406,000) who dropped out of the labor force. The leisure and hospitality sector continued to absorb the largest impact as the sector lost another 61,000 jobs. There remains more than 10 million American workers still without jobs. Retail sales exceeded estimates and jumped 5.3% in January as millions of consumers received and spent stimulus checks. Gains were seen in every spending category. Consumer confidence also rose in January as Americans grew upbeat about the economy along with a new administration, additional fiscal aid, and the distribution of Covid vaccines. Manufacturing activity continued its recovery in January, marking the 8th straight month of positive performance. The non-manufacturing/service sector also grew in January. Industrial production - the combined output of factories, utilities, and mines - advanced 0.9%. Consumer prices climbed slightly by 0.3% in January and 1.4% in the 12 months since January 2020. The producer price index surged 1.3% in January suggesting that inflation pressure is building. Federal Reserve Chairman Jerome Powell indicated that the Fed will not raise interest rates until full employment is met and is stressing that policymakers should stay focused on restoring full employment.



PORTFOLIO HAS AMPLE LIQUIDITY AND IS EXCEEDING TREASURY BENCHMARKS AS OF JANUARY 31, 2021



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

3 Month T-Bill: 0.08%

1 Year T-Bill: 0.10%

6 Month T-Bill: 0.09%

LAIF: 0.458%

OCFA Portfolio: 0.24%

PORTFOLIO SIZE, YIELD, & DURATION

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<i>Book Value</i>	\$154,694,509	\$207,265,868	\$160,111,527
<i>Yield to Maturity (365 day)</i>	0.28%	0.26%	1.73%
<i>Effective Rate of Return</i>	0.24%	0.35%	1.71%
<i>Days to Maturity</i>	26	27	20



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
January 31, 2021

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

(See Note 1 on page 9)

(See Note 2 on page 9)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Call/ Maturity	YTM/Call 360 Equiv.	YTM/Call 365 Equiv.
Federal Agency Coupon Securities	14,000,000.00	14,000,560.00	14,000,000.00	9.59	1,003	141	0.187	0.190
Treasury Discounts -Amortizing	57,000,000.00	56,997,240.00	56,997,148.33	39.04	63	30	0.061	0.062
Local Agency Investment Funds	75,000,000.00	75,170,348.85	75,000,000.00	51.37	1	1	0.452	0.458
Investments	146,000,000.00	146,168,148.85	145,997,148.33	100.00%	121	26	0.274	0.278
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	8,334,483.49	8,334,483.49	8,334,483.49		1	1	0.000	0.000
Accrued Interest at Purchase		73.89	73.89					
Subtotal		8,334,557.38	8,334,557.38					
Total Cash and Investments	154,334,483.49	154,502,706.23	154,331,705.71		121	26	0.274	0.278

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	35,292.91	348,318.95
Average Daily Balance	176,112,252.87	148,845,960.61
Effective Rate of Return	0.24%	0.40%

"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)

\$ 154,331,705.71

GASB 31 Adjustment to Books (See Note 3 on page 9)

\$ 362,803.09

Total

\$ 154,694,508.80

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

(See Note 1 on page 9)

(See Note 2 on page 9)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Call/ Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	Federated Treasury Obligations		07/01/2020	0.00	0.00	0.00	0.010	0.010	1	
Subtotal and Average			10,390,954.85		0.00	0.00	0.00		0.000	0	
Federal Agency Coupon Securities											
3133EMLE0	1020	Federal Farm Credit Bank		12/23/2020	14,000,000.00	14,000,560.00	14,000,000.00	0.190	0.190	141	09/22/2023
Subtotal and Average			14,000,000.00		14,000,000.00	14,000,560.00	14,000,000.00		0.190	141	
Federal Agency Disc. -Amortizing											
Subtotal and Average			10,064,360.22								
Treasury Discounts -Amortizing											
9127963W7	1017	US Treasury Bill		12/23/2020	12,000,000.00	12,000,000.00	11,999,935.00	0.065	0.067	3	02/04/2021
9127964D8	1018	US Treasury Bill		12/23/2020	12,000,000.00	11,999,760.00	11,999,688.33	0.055	0.057	17	02/18/2021
9127964F3	1019	US Treasury Bill		12/23/2020	12,000,000.00	11,999,400.00	11,999,380.00	0.060	0.062	31	03/04/2021
9127964N6	1021	US Treasury Bill		01/06/2021	9,000,000.00	8,999,280.00	8,999,325.00	0.060	0.062	45	03/18/2021
9127964P1	1022	US Treasury Bill		01/14/2021	12,000,000.00	11,998,800.00	11,998,820.00	0.060	0.062	59	04/01/2021
Subtotal and Average			66,641,631.29		57,000,000.00	56,997,240.00	56,997,148.33		0.062	30	
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmt Fund			75,000,000.00	75,170,348.85	75,000,000.00	0.458	0.458	1	
Subtotal and Average			75,015,306.52		75,000,000.00	75,170,348.85	75,000,000.00		0.458	1	
Total and Average			176,112,252.87		146,000,000.00	146,168,148.85	145,997,148.33		0.278	26	

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

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Call/ Maturity
Money Mkt Mutual Funds/Cash										
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	8,314,483.49	8,314,483.49	8,314,483.49		0.000	1
Average Balance			0.00	Accrued Interest at Purchase		73.89	73.89			1
				Subtotal		8,334,557.38	8,334,557.38			
Total Cash and Investments			176,112,252.87		154,334,483.49	154,502,706.23	154,331,705.71		0.278	26

Orange County Fire Authority

In Service of Others!



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

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

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval: 0 days	(02/01/2021 - 02/01/2021)	4 Maturities	0 Payments	83,334,483.49	54.00%	83,334,483.49	83,504,832.34
Aging Interval: 1 - 30 days	(02/02/2021 - 03/03/2021)	2 Maturities	0 Payments	24,000,000.00	15.55%	23,999,623.33	23,999,760.00
Aging Interval: 31 - 60 days	(03/04/2021 - 04/02/2021)	3 Maturities	0 Payments	33,000,000.00	21.38%	32,997,525.00	32,997,480.00
Aging Interval: 61 - 90 days	(04/03/2021 - 05/02/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 91 - 120 days	(05/03/2021 - 06/01/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 121 - 365 days	(06/02/2021 - 02/01/2022)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval: 366 - 1095 days	(02/02/2022 - 02/01/2024)	1 Maturities	0 Payments	14,000,000.00	9.07%	14,000,000.00	14,000,560.00
Aging Interval: 1096 days and after	(02/02/2024 -)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for		10 Investments	0 Payments		100.00	154,331,631.82	154,502,632.34



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, 2020 includes an increase of \$368,460 to the LAIF investment and a decrease of (\$5,657) 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 January 31, 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 December 31, 2020 is 1.002271318. When applied to OCFA's LAIF investment, the fair value is \$75,170,349 or \$170,349 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 December 31, 2020 is included on the following page.



Fair Value Including Accrued Interest	\$	124,056,354,460.54
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Orange County Fire Authority

Preliminary Investment Report

February 19, 2021



ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Summary
February 19, 2021

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

(See Note 1 on page 19)

(See Note 2 on page 19)

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Call/ Maturity	YTM/Call 360 Equiv.	YTM/Call 365 Equiv.
Federal Agency Coupon Securities	14,000,000.00	14,000,840.00	14,000,000.00	11.48	1,003	122	0.187	0.190
Treasury Discounts -Amortizing	33,000,000.00	32,999,220.00	32,998,570.00	27.05	73	26	0.061	0.062
Local Agency Investment Funds	75,000,000.00	75,170,348.85	75,000,000.00	61.48	1	1	0.452	0.458
Investments	122,000,000.00	122,170,408.85	121,998,570.00	100.00%	136	22	0.316	0.320

Cash and Accrued Interest

Passbook/Checking (not included in yield calculations)	5,982,603.45	5,982,603.45	5,982,603.45		1	1	0.000	0.000
Accrued Interest at Purchase		73.89	73.89					
Subtotal		5,982,677.34	5,982,677.34					
Total Cash and Investments	127,982,603.45	128,153,086.19	127,981,247.34		136	22	0.316	0.320

Total Earnings	February 19 Month Ending	Fiscal Year To Date
Current Year	20,706.41	369,025.36
Average Daily Balance	142,411,251.73	130,196,103.32
Effective Rate of Return	0.28%	0.44%

"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

2/26/21

Cash and Investments with GASB 31 Adjustment:

Book Value of Cash & Investments before GASB 31 (Above)	\$ 127,981,247.34
GASB 31 Adjustment to Books (See Note 3 on page 18)	\$ 362,803.09
Total	\$ 128,344,050.43

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Investments
February 19, 2021

(See Note 1 on page 19) (See Note 2 on page 19)

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity	Maturity Date
Money Mkt Mutual Funds/Cash											
SYS528	528	Federated Treasury Obligations		07/01/2020	0.00	0.00	0.00	0.010	0.010	1	
Subtotal and Average			7,781,732.43		0.00	0.00	0.00		0.000	0	
Federal Agency Coupon Securities											
3133EMLE0	1020	Federal Farm Credit Bank		12/23/2020	14,000,000.00	14,000,840.00	14,000,000.00	0.190	0.190	122	09/22/2023
Subtotal and Average			14,000,000.00		14,000,000.00	14,000,840.00	14,000,000.00		0.190	122	
Treasury Discounts -Amortizing											
9127964F3	1019	US Treasury Bill		12/23/2020	12,000,000.00	11,999,880.00	11,999,760.00	0.060	0.062	12	03/04/2021
9127964N6	1021	US Treasury Bill		01/06/2021	9,000,000.00	8,999,820.00	8,999,610.00	0.060	0.062	26	03/18/2021
9127964P1	1022	US Treasury Bill		01/14/2021	12,000,000.00	11,999,520.00	11,999,200.00	0.060	0.062	40	04/01/2021
Subtotal and Average			45,629,519.30		33,000,000.00	32,999,220.00	32,998,570.00		0.062	26	
Local Agency Investment Funds											
SYS336	336	Local Agency Invstmt Fund			75,000,000.00	75,170,348.85	75,000,000.00	0.458	0.458	1	
Subtotal and Average			75,000,000.00		75,000,000.00	75,170,348.85	75,000,000.00		0.458	1	
Total and Average			142,411,251.73		122,000,000.00	122,170,408.85	121,998,570.00		0.320	22	

ORANGE COUNTY FIRE AUTHORITY
Portfolio Management
Portfolio Details - Cash
February 19, 2021

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM/C 365	Days to Maturity
Money Mkt Mutual Funds/Cash										
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	5,962,603.45	5,962,603.45	5,962,603.45		0.000	1
Average Balance			0.00	Accrued Interest at Purchase		73.89	73.89			1
				Subtotal		5,982,677.34	5,982,677.34			
Total Cash and Investments			142,411,251.73		127,982,603.45	128,153,086.19	127,981,247.34		0.320	22

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ORANGE COUNTY FIRE AUTHORITY
Aging Report
By Maturity Date
As of February 22, 2021

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

					Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	(02/22/2021 - 02/22/2021)	4 Maturities	0 Payments	80,982,603.45	63.28%	80,982,603.45	81,152,952.30
Aging Interval:	1 - 30 days	(02/23/2021 - 03/24/2021)	2 Maturities	0 Payments	21,000,000.00	16.41%	20,999,440.00	20,999,700.00
Aging Interval:	31 - 60 days	(03/25/2021 - 04/23/2021)	1 Maturities	0 Payments	12,000,000.00	9.38%	11,999,240.00	11,999,520.00
Aging Interval:	61 - 90 days	(04/24/2021 - 05/23/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	91 - 120 days	(05/24/2021 - 06/22/2021)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	121 - 365 days	(06/23/2021 - 02/22/2022)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	366 - 1095 days	(02/23/2022 - 02/22/2024)	1 Maturities	0 Payments	14,000,000.00	10.94%	14,000,000.00	14,000,840.00
Aging Interval:	1096 days and after	(02/23/2024 -)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Total for			8 Investments	0 Payments		100.00	127,981,283.45	128,153,012.30



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, 2020 includes an increase of \$368,460 to the LAIF investment and a decrease of (\$5,657) 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

Executive Committee Meeting
March 25, 2021

Agenda Item No. 2C
Consent Calendar

**Agreement for the Purchase of a Used
Heavy Rescue Vehicle from the City of Fullerton**

Contact(s) for Further Information

Jim Ruane, Assistant Chief
Logistics Department

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714.573.6801

Kevin Berghaus, Fleet Services Manager

kevinberghaus@ocfa.org

714.573.6651

Summary

This agenda item is submitted for approval to issue a purchase order to the City of Fullerton for the purchase of the Heavy Rescue Vehicle backup unit currently on loan to OCFA and in use by Operations.

Prior Board/Committee Action

None.

RECOMMENDED ACTION(S)

1. Approve and authorize the Purchasing Manager to issue a purchase order to the City of Fullerton for the purchase of used Heavy Rescue Vehicle No. 5460, radios, and associated accessories in an amount not to exceed \$60,000; and
2. Approve as to form and authorize the Purchasing Manager to execute the Bill of Sale and Notice of Release of Liability.

Impact to Cities/County

Not Applicable.

Fiscal Impact

Funding for purchase of the Heavy Rescue Vehicle is included with the FY 2020/21 Midyear Budget.

Background

OCFA utilizes a Heavy Rescue Vehicle (HRV) for technical rescues within our response area. The vehicle is designed to transport personnel and a Type 1 cache to an incident. Currently, there is no permanent backup unit for the front-line HRV, which is experiencing significant mechanical issues, and is now due for replacement. At this time, the operational backup for the front-line unit is an HRV on loan from the City of Fullerton. If acquired by OCFA, this vehicle will function as a multi-purpose truck and continue its current use as a backup for the front-line HRV.

The purchase of the City of Fullerton HRV will allow OCFA to realize a significant reduction in capital outlay and eliminate the lead time necessary to place an HRV backup unit in service. A full inspection by the Fleet section confirmed that the vehicle is in excellent mechanical and

structural condition, reflective of its very low mileage. The purchase price of \$60,000 for this unit, a specially equipped 2007 Kenworth T300 box truck with under 9,000 miles, includes all upfitting equipment necessary for the unit to function as an HRV. In addition to the vehicle purchase price, \$15,000 for tax, licensing, and final vehicle preparation for the OCFA fleet is included with the FY 2020/21 Midyear Budget. Alternatively, the cost of a comparable new unit, excluding upfitting equipment costs, is approximately \$215,000. To confirm the value of this low mileage vehicle, base box trucks meeting the requirements for upfitting to an HRV in the price range of the Fullerton unit were found to typically have in excess of 100,000 miles. This acquisition addresses OCFA's current operational need for a backup HRV and is not related to the request from the City of Fullerton for OCFA to prepare a proposal to provide the City with comprehensive fire emergency services.

Recommendation

Due to the advantages of acquiring the HRV backup unit from the City of Fullerton as described in this report, staff is requesting authorization to purchase the vehicle from the City for \$60,000.

Attachments

1. Bill of Sale/Release of Liability Agreement

BILL OF SALE AND NOTICE OF RELEASE OF LIABILITY

1. The 2007 Heavy Rescue Vehicle is sold for a sum of \$ 60,000 under the following conditions: "AS-IS" / "WHERE-IS," AND WITH ALL FAULTS, without recourse of any kind. No claim will be considered for allowance, adjustment, or rescission of this sale based upon the failure of the equipment to correspond to any particular standards or expectation of buyer.
2. The City does not accept responsibility for the failure of this equipment to meet the safety standards.
3. Buyer agrees to defend, indemnify, and hold harmless the City of Fullerton for any and all claims of bodily injury, death, property damage, and liability arising from, or in any way connected with the property involved in this sale.
4. The equipment involved in this sale is: 2007 Kenworth Box Truck, radios and accessory equipment.

MODEL NO. T300 EQUIPMENT S/N NO. VIN 2NKMHN8X98M218881

I have read and agree to the Terms and Conditions of this sale.

SOLD TO:
ORANGE COUNTY FIRE AUTHORITY

BY:
THE CITY OF FULLERTON

Print Name

Adam Loeser, Fire Chief

Signature

Date

Date