

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Budget and Finance Committee Regular Meeting
Wednesday, January 8, 2014
12:00 Noon

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Budget and Finance Committee was called to order on January 8, 2014, at 12:00 p.m. by Chair Swift.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Present: Sam Allevato, San Juan Capistrano
Randal Bressette, Laguna Hills
Trish Kelley, Mission Viejo
Jerry McCloskey, Laguna Niguel
Al Murray, Tustin
Elizabeth Swift, Buena Park
Steven Weinberg, Dana Point

Absent: None

Also present were:

Fire Chief Keith Richter
Assistant Chief Lori Zeller
Assistant Chief Brian Stephens
Assistant Clerk Lydia Slivkoff

General Counsel David Kendig
Assistant Chief Dave Thomas
Clerk of the Authority Sherry Wentz

PUBLIC COMMENTS (F: 12.02B3)

Chair Swift opened the Public Comments portion of the meeting. Chair Swift closed the Public Comments portion of the meeting without any comments.

MINUTES (F: 12.02B2)

1. Minutes for the November 6, 2013, Budget and Finance Committee Meeting (F: 12.02B2)

On motion of Director Weinberg and second by Director Kelley, the Committee voted unanimously to approve the minutes of the November 6, 2013, Budget and Finance Committee Meeting, as submitted. Director Murray abstained due to his absence at the meeting.

CONSENT CALENDAR

2. Monthly Update – Orange County Employees’ Retirement System (F: 17.06)

On motion of Vice Chair Bressette and second by Director Kelley, the Committee voted unanimously to receive and file the report.

DISCUSSION CALENDAR

3. Monthly Investment Report (F: 11.10D2)

Treasurer Tricia Jakubiak provided an overview of the investment report and current global market activity.

On motion of Director McCloskey and second by Director Murray, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee meeting of January 23, 2014, with the Budget and Finance Committee’s recommendation that the Executive Committee receive and file the report.

4. Updated Broker/Dealer List (F: 11.10D4)

Treasurer Tricia Jakubiak provided an overview of the updated broker/dealer list.

On motion of Vice Chair Bressette and second by Director Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee Meeting of January 23, 2014, with the Budget and Finance Committee’s recommendation that the Executive Committee approve the proposed Broker/Dealer List to include the following three firms:

- FTN Financial
- Raymond James
- UBS Financial Services

5. Use of External Investment Manager

Fire Chief Richter provided an overview of the use of an external investment manager.

Director Bob Baker, City of San Clemente, provided comments in support of external investment manager use options.

A lengthy discussion ensued.

On motion of Director Murray and second by Director McCloskey, the Committee voted unanimously to recommend the OCFA's Treasurer to continue to invest funds internally.

6. FY 2013/14 Mid-Year Financial Report (F: 15.04)

Assistant Chief Zeller introduced Accounting Manager Deborah Gunderson who provided a PowerPoint presentation on the FY 2013/14 Mid-Year Financial Report.

A lengthy discussion ensued.

On motion of Vice Chair Bressette and second by Director Murray, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of January 23, 2014, with the Budget and Finance Committee's recommendation that the Board of Directors take the following actions:

1. Direct staff to implement all necessary budget adjustments to allocate \$3,000,000 of the \$6,134,590 of available unencumbered funds identified in the 2012/13 annual financial audit to the OCFA's Unfunded Actuarial Accrued Liabilities with the Orange County Employees Retirement System, and allocate any remaining funds to the OCFA's Capital Improvement Program for capital needs.
2. Direct staff to implement all necessary budget adjustments to issue the 2013/14 equity payment to the City of Irvine in the amount of \$5,976,162, in accordance with the Second Amendment to the Amended Joint Powers Agreement.
3. Direct staff to implement necessary budget adjustments to unfreeze specified positions for the Community Risk Reduction and Business Services Departments, as explained herein.
4. Direct staff to return to the Board of Directors in March 2014, for approval of all additional budget adjustments discussed herein for the FY 2013/14 budget.

REPORTS (F: 12.02B6)

Fire Chief Richter provided an update on an early morning fatal fire in a care facility in the City of Santa Ana where two people died and four others were injured.

Assistant Chief Stephens indicated the OCFA's commitment to support legislation requiring sprinkler systems in these types of facilities for these very reasons.

COMMITTEE MEMBER COMMENTS (F: 12.02B4)

Director Kelley thanked OCFA staff for the fire safety presentations at Mission Viejo City Council meetings. She encouraged Committee members to utilize the OCFA to get safety messages out in their communities.

Chair Swift commended Division Chief McKeown for his responsiveness to Board members, and for providing information that helped make her community feel like they were being cared for during a recent fire incident in Buena Park.

Director McCloskey thanked and noted his appreciation to OCFA staff for email updates.

ADJOURNMENT – Chair Swift adjourned the meeting at 1:22 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, February 5, 2014, at 12:00 noon.



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