

ACFR 2024

FISCAL YEAR ENDED JUNE 30



ANNUAL COMPREHENSIVE FINANCIAL REPORT
ORANGE COUNTY FIRE AUTHORITY
ORANGE COUNTY, CALIFORNIA
BUSINESS SERVICES DEPARTMENT / FINANCE DIVISION



Orange County Fire Authority Annual Comprehensive Financial Report Year ended June 30, 2024

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Brian Fennessy
Fire Chief

Prepared by OCFA Finance Division

Photos provided by OCFA Multimedia

Orange County Fire Authority



Mission Statement

We proudly serve the changing needs of our communities by providing exceptional emergency and support services. We pledge a commitment to preserving the quality of life.

Vision Statement

We are dedicated to protecting lives and property with first class public safety and emergency services through courage, compassion, and competency.

Values Statement and Service Principles

We rely on our PEOPLE and our Service Principles as we carry out our mission with:

- Professionalism
- Enthusiasm
- Organizational Integrity
- Pride
- Leadership
- Effectiveness

Service Principles guide our relationships with each other and with our customers:

- | | | |
|----------------------------|---------------------------|------------------------|
| • Safety | • Excellence | • Honesty and Fairness |
| • Financial Responsibility | • Ethics | • Reliability |
| • Teamwork | • Personal Accountability | • Diversity |
| • Trust | • Care and Respect | • Integrity |

Motto

In service of others!

ORANGE COUNTY FIRE AUTHORITY
Annual Comprehensive Financial Report
Year ended June 30, 2024

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Introductory Section





ORANGE COUNTY FIRE AUTHORITY

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October 24, 2024

To the Board of Directors and Citizens of Orange County:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Orange County Fire Authority (OCFA) for the fiscal year ended June 30, 2024. This report consists of management's representations concerning the finances of the OCFA and is presented using the financial reporting model outlined in statements issued by the Governmental Accounting Standards Board (GASB). Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. As management, we assert that this financial report is complete and reliable in all material respects, to the best of our knowledge and belief.

OCFA management has established a comprehensive internal control framework to provide a reasonable basis for making its representations. This framework is designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that accounting transactions are executed in accordance with management's authorization and properly recorded so that the financial statements can be prepared in conformity with generally accepted accounting principles (GAAP). Because the cost of a control should not exceed the benefits to be derived, the objective of the internal control framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The design and operation of internal controls also ensures that federal and state financial assistance funds are expended in compliance with applicable laws and regulations related to those programs.

OCFA's financial statements have been audited by CliftonLarsonAllen, LLP, a firm of certified public accountants. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the OCFA's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The Management's Discussion and Analysis (MD&A) narrative provides "financial highlights" and interprets the financial reports by analyzing trends and explaining changes, fluctuations, and variances in the financial data. The MD&A is also intended to disclose any known significant events or decisions that affect the financial condition of the OCFA. The MD&A complements, and should be read in conjunction with, this letter of transmittal.

Background Information on the OCFA

OCFA was formed on March 1, 1995, transitioning from the Orange County Fire Department to a joint powers authority (JPA) as allowed by California State Government Code 6500 et seq. OCFA is an independent entity similar to a special district. The service area includes twenty-three member cities and the unincorporated areas of Orange County. A twenty-five-member Board of Directors governs the OCFA, including an elected official appointed to represent each member city and two representatives from the County Board of Supervisors. OCFA is managed by an appointed Fire Chief who reports to the Board of Directors.

The OCFA Foundation (Foundation) was established in July 2010 as a nonprofit corporation to support OCFA with additional resources. The Foundation is governed by a separate Board of Directors with prior experience in government, community, or fire service organizations. OCFA's Fire Chief serves as the Chief Executive Officer of the Foundation. The Foundation is presented in this report as a discretely presented component unit due to the nature and significance of its relationship with OCFA.

The annual budget is the foundation for OCFA's financial planning and control. The budget development process begins in November. The budget team compiles the input from the section/division managers who follow the policies and guidelines established by

Serving the Cities of: Aliso Viejo • Buena Park • Cypress • Dana Point • Garden Grove • Irvine • Laguna Hills • Laguna Niguel • Laguna Woods • Lake Forest • La Palma • Los Alamitos • Mission Viejo • Rancho Santa Margarita • San Clemente • San Juan Capistrano • Santa Ana • Seal Beach • Stanton • Tustin • Villa Park • Westminster • Yorba Linda and Unincorporated Areas of Orange County

RESIDENTIAL SPRINKLERS AND SMOKE ALARMS SAVE LIVES

Executive Management. The results are presented to Executive Management for review and prioritization. The draft budget is further refined through various committee reviews, including a City Managers' Budget and Finance Committee, a Capital Improvement Program Ad Hoc Committee, and the OCFA Budget and Finance Committee. The OCFA Budget and Finance Committee recommends the budget for approval by the Board of Directors in May or June. The Board has the option of holding a public hearing on the proposed budget and is required to adopt a final budget no later than June 30, the close of OCFA's fiscal year.

The appropriated budget is allocated by fund and department. Department Chiefs may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of Executive Management, and transfers between funds require the approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. A Budgetary Comparison Statement for the General Fund is presented in the governmental funds section of the accompanying financial statements. Budgetary Comparison Schedules for all remaining governmental funds with appropriated annual budgets are presented in the supplementary schedules section of the accompanying financial statements.

Information on Orange County and the Local Economy



The information presented in the financial statements is best understood when considered from the broader perspective of the local economic environment within which OCFA operates.

Orange County Profile:

Orange County is located along the southern coast of California, with Los Angeles County to the north, San Diego County to the south, and Riverside and San Bernardino counties to the east. Orange County covers an area of 799 square miles, with 42 miles of coastline along the Pacific Ocean, and is home to over 3.1 million people.¹ There are thirty-four cities in Orange County. OCFA provides regional fire services to twenty-three of those cities and the unincorporated areas throughout the county.

Economic Overview:

As the economy emerged from the COVID-19 pandemic, inflation surged to levels not seen since 1981. Inflation was reported at a high of 9.1% in June 2022, with the cost of food and energy soaring at record rates.² High inflation limits the purchasing power of everyday Americans. When the economy begins overheating, the Fed raises interest rates in an attempt to stabilize prices. From March 2022 to July 2023, the Fed increased interest rates eleven times by a combined 5.25%.³

The 23-year high in interest rates helped to shrink inflation from its 9.1% peak down to 2.9% in July 2024, which is just above the Fed's 2.0% target. Higher borrowing costs for consumers and businesses was initially expected to trigger a recession.⁴ Historically, the average time lag between when the Fed begins increasing the federal funds rates and the onset of a recession is ten quarters.⁵ However, sharply higher-than-anticipated fiscal stimulus fueled an increase in government purchases of goods and services, which in turn buoyed strong job growth and higher consumer spending. The resulting boost in consumer spending ultimately helped the economy avoid a recession in 2023.⁶

¹ California Department of Finance, <http://www.dof.ca.gov/forecasting/demographics/estimates>, Table E-5, *Population and Housing Estimates – Organized by Geography, January 1, 2024*

² Tepper, Taylor. "Why is Inflation So High?" Forbes Advisor, July 13, 2022, <https://www.forbes.com/advisor/investing/why-is-inflation-rising-right-now/>. July 26, 2022.

³ Adams, Michael. "Federal Funds Rate History 1990 to 2024" Forbes Advisor, May 20, 2024, <https://www.forbes.com/advisor/investing/fed-funds-rate-history/>. August 30, 2024.

⁴ Wiseman, Paul. "US Economic Growth for Last Quarter is Revised up to a Solid 3% Annual Rate" ABC News, August 29, 2024, <https://abcnews.go.com/US/wireStory/us-economic-growth-quarter-revised-solid-3-annual-113239881>. August 30, 2024.

⁵ Chapman University, *Economic & Business Review*, June 2022, *Recessionary Clouds are Forming: The Anti-Inflation Battle Seeds Those Clouds*

⁶ Chapman University, *Economic & Business Review*, December 2023, *Strong Fiscal Stimulus Fuels Growth*

The economy has continued to grow, and employers have continued hiring. Now that inflation has stabilized, unemployment has risen to 4.3%, which is still low by historical standards. It is anticipated that the Fed may begin cutting interest rates in September 2024 to help maintain a healthy job market and again avoid triggering a recession.⁷

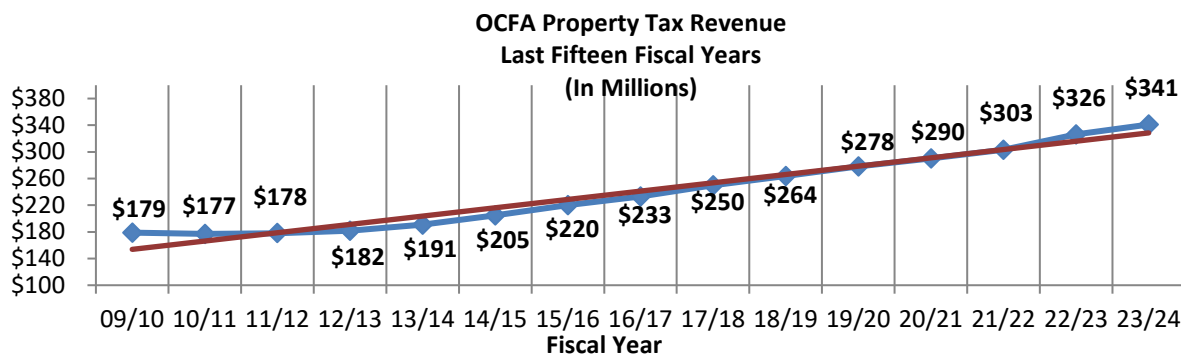
Income and Housing Affordability:

Households in Orange County have a median annual income of \$109,361, which exceeds both state (\$91,905) and national (\$75,149) levels.⁸ However, the county has long experienced a high cost of living and a shortage of affordable housing for its residents. Salaries have not kept up with rising home prices and there has been insufficient stock of single-family and multi-family residences to meet demand. The median price for all homes in Orange County was approximately \$1,060,000 in 2023, an increase of 4.0% over the prior year. The number of residential building permits issued in the last year has increased by 18.3% – from 6,483 permits in 2022 to 7,670 permits in 2023. The lack of affordable housing is negatively impacting this sector of Orange County’s economy. The housing affordability index, which measures the percentage of families with the median income to qualify for a mortgage on a median-priced home, has declined from 47.9% in 2022 to 44.0% in 2023. With the sharp increase in mortgage rates, it stands to reason that housing prices should decline. However, the fact that housing prices remain high is explained by the fact that homeowners do not want to lose their fixed-rate mortgages that were taken out when rates were significantly lower.⁹

California lost over 1.7 million people in net domestic migration from 2016 to 2022. The loss in population caused by people-flight has many long-term consequences for the state, including loss of income tax revenue collected.¹⁰ California has the 2nd highest income tax rate of all fifty states, which is contributing to the exodus of people to states with no state income tax, such as Texas, Nevada, and Florida.¹¹ Orange County lost 50,000 of its population from 2018 to 2022, with more residents moving out of the county than those moving in. This net domestic migration means that an estimated 15,000 vacated homes have been added to the county’s supply of housing.¹² If the state and county population outflow continues, the additional number of existing housing units left behind could become significant. Although a drop in population-to-housing ratios has long been desired, it is occurring in part because the population is decreasing, not simply because the number of available housing units is increasing.¹³

Property Taxes:

The most significant local economic factor impacting OCFA is Orange County’s housing market, including fluctuations in new construction activities and housing prices. Property taxes derived from these activities comprised 56.7% of OCFA’s total governmental funds revenues in Fiscal Year 2023/24. As previously described, home prices continue to rise. OCFA’s property tax revenues have steadily increased since the 2007 Great Recession, as shown in the chart below. The current median, single-family home price of \$1,060,000 well exceeds the pre-recession price peak of \$747,260 from April 2007.



⁷ Wiseman, Paul. “US Economic Growth for Last Quarter is Revised up to a Solid 3% Annual Rate” ABC News, August 29, 2024, <https://abcnews.go.com/US/wireStory/us-economic-growth-quarter-revised-solid-3-annual-113239881>. August 30, 2024.

⁸ DataUSA, <https://datausa.io/profile/geo/orange-county-ca>, 2022 Median Household Income

⁹ Chapman University, *Economic & Business Review*, December 2023, *Slower Growth in Short and Long-Run*; and Table 11 *Orange County Annual History and Forecasts: 2019-2024*

¹⁰ Chapman University, *Economic & Business Review*, December 2023, *Slow Growth in Short and Long-Run*

¹¹ Chapman University, *Economic & Business Review*, December 2023, *The Great California Exodus*

¹² Chapman University, *Economic & Business Review*, December 2023, *California Ills Spread to the County*

¹³ Chapman University, *Economic & Business Review*, December 2023, *Lower Population Growth Points to Lower Housing Demand*

Long-term Financial Planning

Since its formation in 1995, OCFA has been preparing multi-year projections of its revenues and expenditures. A firm of property tax consultants has been retained to assist in the projection of the OCFA's single largest revenue source – property taxes. With these projections and a collection of conservative assumptions, OCFA forecasts its financial condition five years into the future. Various scenarios can be developed from the forecast to assess the impact of proposed or impending changes to the budget, the economy, or the underlying assumptions. As a result, this tool provides an early warning of potential financial difficulties. The consultant's method of projecting property tax revenue is to increase the value of existing structures by the 2% constitutional maximum (if CPI is 2% or greater); increase values to account for re-sales; add in the value of any new development; account for assessment appeals and reassessments in a recession; and account for value restoration post-recession.

Relevant Financial Policies

The OCFA Board of Directors has adopted the following formal budgetary and fiscal policies:

Financial Stability Budget Policy: This policy is intended to guide OCFA budget actions toward maintaining long-term financial stability and to establish fund balance levels and annual funding targets for the General Fund and Capital Improvement Program (CIP). The policy also includes guidance on facilitating the accelerated payment of OCFA's unfunded liabilities for improved fiscal health.

Fiscal Health Plan: The purpose of this plan is to establish a framework to ensure an ongoing focus on fiscal health and a general process to ensure timely and appropriate response to adverse fiscal circumstances. This plan's cornerstones are strong fiscal policies and a comprehensive system for monitoring OCFA's budgetary performance. Financial indicators are monitored through frequent updates of OCFA's five-year financial forecast to evaluate the stability, strength, or weaknesses of OCFA's finances.

Investment Policy: This policy is updated annually to reflect changes in legislation and the changing needs of the OCFA. It specifies the types of investments allowed in the OCFA portfolio and the diversification and maturity requirements for investments.

Paydown of Unfunded Liabilities: Recognizing the potential long-term savings to OCFA, the Board has implemented several strategies to pay down its Unfunded Actuarial Accrued Liability (UAAL) for employee pensions and its long-term liability for the Retiree Medical Plan. Those strategies, known collectively as the "Snowball Plan," include additional annual payments toward the UAAL that are redirected to the Retiree Medical Plan upon reaching 85% funding.

Roles/Responsibilities/Authorities for the OCFA: This document identifies those roles and responsibilities that the Board has retained, as well as responsibilities that have been delegated. All authority rests with the Board unless it is delegated by statute or Board action. When delegated, these authorities are further defined by contracts, resolutions, policies, and other Board actions.

Accounts Receivable Write-off Policy for Uncollectible Accounts: This policy establishes the criteria and procedures for requesting uncollectible amounts to be written off.

Short-term Debt Policy: This policy establishes guidelines for managing the OCFA's cash flow position in a fiscally conservative manner through issuing short-term debt.

Local Debt Policy: This policy establishes guidelines for the issuance and management of debt financing for the acquisition, substantial refurbishment, replacement, or expansion of capital assets, or for the refunding, refinancing, or restructuring of debt to achieve debt service savings. The policy outlines accepted purposes of debt, as well as internal control procedures for the use of debt proceeds.

Emergency Appropriations Policy: This policy establishes guidelines for increasing appropriations in the event of extraordinary fire or emergency activity following the last Board meeting of the fiscal year.

Workers Compensation Funding Policy: In March 2002, OCFA implemented a workers' compensation self-insurance program. The Board has established required funding levels at 50% for outstanding losses and 50% for projected losses, as determined by an independent actuarial study.

Assigned Fund Balance Policy: This policy establishes the authority by which OCFA may set aside cumulative resources in fund balance for an intended future use.

Fund Balance Flow Assumptions Policy: This policy establishes the order of spending governmental fund balance categories, as defined by Governmental Accounting Standards Board (GASB) Statement No. 54.

Grants Management Policy: This policy establishes an overall framework for guiding OCFA's use and management of grant resources.

Capital Projects Fund Policy: This policy defines the types of allowable activities that may be accounted for in OCFA's capital projects funds, as defined by Governmental Accounting Standards Board (GASB) Statement No. 54.

Major Initiatives Expected to Affect Future Financial Position

Highlights of select initiatives that potentially impact OCFA's future financial position are described below.

OCFA Aircraft Replacement Review Process and Implementation: In March 2022, the Board of Directors approved OCFA's Aircraft Replacement Review and Work Plan (Review and Work Plan) with the intent to educate and inform policymakers on needs, options, costs, financing solutions, and recommendations pertaining to the disposition of obsolete aircraft and acquisition of replacement aircraft. The review process was completed in July 2022, with the Board directing staff to return two Federal Excess Property Program (FEPP) UH-1H Super Huey helicopters to the federal government and initiate the administrative actions to facilitate the purchase of two Sikorsky S-70 Type 1 helicopters. Approval to award a purchasing contract, approval of financing terms, and authorization of necessary budget adjustments was obtained in September 2022.

The \$57.9 million financing was issued in Fiscal Year 2022/23, and the new helicopters were delivered in June 2024, after being transformed from Blackhawk to Firehawk helicopters. This transformation results in a true multi-mission airframe with enhanced capabilities and safety, including digital cockpit upgrades, increased power margins, and the ability to deliver 1,000 gallons of water. The Firehawk helicopters also have a reconfigurable cabin that can accommodate up to twelve firefighting crew members and their equipment during emergency operations.

Air Operations personnel will continue to complete required training for operational implementation of the new Firehawk helicopters in Fiscal Year 2024/25.

The new aircraft joined OCFA's two Bell 412 helicopters, providing OCFA with four operational helicopters for the first time since 2020. With their advanced technology and increased carrying capacity, OCFA's investment in the new Firehawk helicopters will elevate OCFA's operational effectiveness.



Accelerated Pay-Down of Pension Liability with the Orange County Employees Retirement System: OCFA continues its policy efforts and Board actions to reduce its unfunded liabilities, thereby improving the sustainability of services. In September 2013, the Board approved several strategies to accelerate funding OCFA's Unfunded Actuarial Accrued Liability (UAAL) with the Orange County Employees Retirement System (OCERS). Those strategies, referred to as the "Snowball Plan," currently include the following:

- (A) Use unencumbered fund balance available at the close of each fiscal year to make annual lump sum payments, estimated at an average amount of \$3 million annually;
- (B) Include savings from reduced retirement rates resulting from the implementation of the Public Employees' Pension Reform Act;
- (C) Budget an additional \$1 million beginning in Fiscal Year 2016/17, and increase by \$2 million each subsequent fiscal year until reaching an annual amount of \$15 million;
- (D) Contribute \$1 million annually for five years, beginning in Fiscal Year 2016/17, from surplus fund balance available from the General Fund's fund balance assignment for workers' compensation;
- (E) Contribute 50% of General Fund surplus, if any, annually beginning in Fiscal Year 2017/18 in accordance with the Financial Stability Budget Policy; and

- (F) Contribute \$500,000 annually beginning in Fiscal Year 2020/21 until the liability is 85% funded in accordance with the Irvine Settlement Agreement.

In November 2016, the Board of Directors also authorized modifications of the “Snowball Plan” to (1) alter the funding target from 100% to 85%; and (2) to redirect expedited payments from the UAAL to the OCFA’s unfunded liability for the Retiree Medical Plan after achieving that 85% target. In August 2019, OCFA formalized its commitment to its “Snowball Plan” with the 4th Amendment to the Joint Powers Authority Agreement, which requires the Board to appropriate funds to its budget annually consistent with, or greater than, the budgetary payments called for in the “Snowball Plan,” except for instances of fiscal hardship defined as a substantial reduction in OCFA’s anticipated revenues and/or a significant increase in anticipated expenses that are beyond the reasonable control of the Board. As of December 2020, OCFA achieved 87.7% funding of its UAAL. Thus, starting in Fiscal Year 2021/22, OCFA began redirecting its cash “Snowball Plan” payments to the Retiree Medical Plan.

OCFA has been making additional payments toward its UAAL annually since Fiscal Year 2013/14, with additional payments made during Fiscal Year 2023/24 totaling \$35.6 million, with \$14.8 million directed to the pension plan UAAL and \$20.8 million directed to the Retiree Medical Plan. The Board of Directors is updated annually on the status of the pay-down plan. As of September 2023, estimates from the OCERS actuary indicated that making accelerated payments has saved OCFA \$76.7 million in interest, and OCFA is expected to achieve 100% funding of its UAAL by December 31, 2031. Below is a summary of additional payments made under the “Snowball Plan” since Fiscal Year 2013/14 toward the UAAL and the Retiree Medical Plan.

	Part A	Part B	Part C	Part D	Part E	Part F			
Fiscal Year Ended June 30	Available Fund Balance	Annual PEPR Savings	Annual Budget Increases	Budget Increases from Workers Comp Assignment	50% of General Fund Surplus	Irvine Settlement Agreement	Total Snowball Plan Payments	Other UAAL Rate Savings Payments	Total Additional Payments
2014	\$ 3,000,000	\$ 2,235,753	\$ -	\$ -	\$ -	\$ -	\$ 5,235,753	\$ -	\$ 5,235,753
2015	21,290,238	86,061	-	-	-	-	21,376,299	-	21,376,299
2016	12,609,380	2,802,122	-	-	-	-	15,411,502	-	15,411,502
2017	9,814,477	1,653,114	1,000,000	1,000,000	-	-	13,467,591	3,128,369	16,595,960
2018	13,174,516	1,886,420	3,000,000	1,000,000	870,041	-	19,930,977	3,164,819	23,095,796
2019	10,000,000	3,167,397	5,000,000	1,000,000	-	-	19,167,397	3,665,549	22,832,946
2020	4,030,172	1,648,658	7,000,000	1,000,000	-	-	13,678,830	7,324,607	21,003,437
2021	3,000,000	2,368,859	9,000,000	1,000,000	-	500,000	15,868,859	11,092,090	26,960,949
2022	-	-	-	-	-	-	-	10,941,312	10,941,312
2023	-	-	-	-	-	-	-	12,758,836	12,758,836
2024	-	-	-	-	-	-	-	14,820,832	14,820,832
UAAL (Pension)	76,918,783	15,848,384	25,000,000	5,000,000	870,041	500,000	124,137,208	66,896,414	191,033,622
2022	-	3,279,280	11,000,000	-	-	-	14,279,280	-	14,279,280
2023	-	4,787,217	13,000,000	-	-	-	17,787,217	-	17,787,217
2024	-	5,772,547	15,000,000	-	-	-	20,772,547	-	20,772,547
Retiree Medical	-	13,839,044	39,000,000	-	-	-	52,839,044	-	52,839,044
Total	\$76,918,783	\$29,687,428	\$64,000,000	\$5,000,000	\$870,041	\$500,000	\$176,976,252	\$66,896,414	\$243,872,666

911 Ambulance Service Contracts: In July 2023, the Board of Directors approved a Request for Proposal (RFP) scope of work to obtain a comprehensive analysis of ambulance transportation options throughout OCFA’s service jurisdiction. This analysis includes OCFA member cities with 201 rights, which in California are the rights of certain cities and fire districts to continue providing emergency medical services (EMS) within their boundaries based on service levels provided as of June 1, 1980. In September 2023, the Board of Directors approved the award of the ambulance system analysis contract to Citygate Associates. Citygate Associates completed the systemwide analysis and presented the results to the Board of Directors in July 2024. The Board of Directors provided staff with direction to identify potential private ambulance partners and to explore public/private partnership arrangements through a competitive solicitation process. The results of the solicitation process and the next steps will be considered by the Board of Directors at a future date.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the OCFA for its Fiscal Year 2022/23 Annual Comprehensive Financial Report (ACFR), marking the 26th consecutive year OCFA has received this prestigious award. In order to be awarded this certificate, a government must publish an easily readable and efficiently organized ACFR that satisfies both GAAP and applicable legal requirements. The certificate is valid for a period of one year. We believe our Fiscal Year 2023/24 ACFR continues to meet the program's requirements, and we are submitting it to the GFOA to determine its eligibility for this year's award.

The timely preparation of the Annual Comprehensive Financial Report was made possible by the dedicated efforts of the management and staff of the Finance Division. We acknowledge the support and direction provided to OCFA staff by the accounting firm of CliftonLarsonAllen, LLP. We would also like to express our appreciation to the Board of Directors and Budget and Finance Committee for their leadership and support in planning and conducting the financial operations of the OCFA responsibly and progressively.

Respectfully submitted,

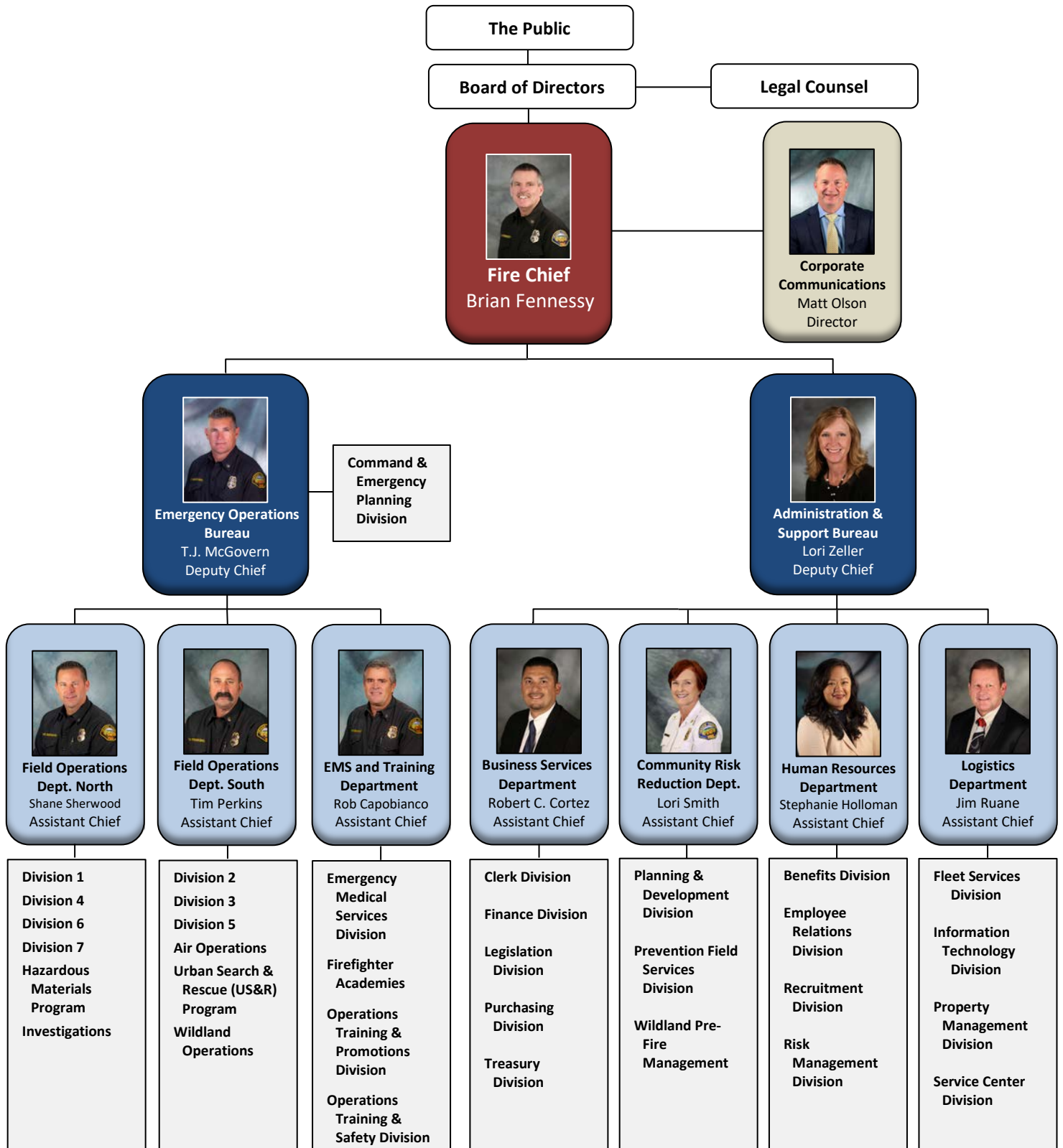
A handwritten signature in dark ink, appearing to read 'B. Fennessy', with a large, stylized loop at the end.

Brian Fennessy
Fire Chief

A handwritten signature in dark ink, appearing to read 'R. Cortez', with a long, horizontal, sweeping line extending to the right.

Robert C. Cortez
Assistant Chief, Business Services Department

ORANGE COUNTY FIRE AUTHORITY
Organization Chart
As of June 30, 2024



ORANGE COUNTY FIRE AUTHORITY
Management Staff and Appointed Officials
As of June 30, 2024

Executive Management

Fire Chief

Brian Fennessy

Deputy Chiefs

T.J. McGovern	Emergency Operations
Lori Zeller	Administration & Support

Assistant Chiefs

Shane Sherwood	Field Operations North
Tim Perkins	Field Operations South
Rob Capobianco	EMS and Training
Robert C. Cortez	Business Services
Lori Smith	Community Risk Reduction
Stephanie Holloman	Human Resources
Jim Ruane	Logistics

Directors

Matt Olson	Corporate Communications
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Appointed Officials

Robert C. Cortez	Treasurer (Interim)
Robert C. Cortez	Auditor (Interim)
Maria D. Huizar	Clerk of the Authority

Legal Counsel

Woodruff & Smart	General Counsel
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ORANGE COUNTY FIRE AUTHORITY
Organization of Board of Directors
As of June 30, 2024

Orange County Fire Authority's Board of Directors has twenty-five members as of June 30, 2024. Twenty-three of the members represent member cities and two members represent the county unincorporated area. The Board of Directors meets monthly. Following are descriptions of each standing committee that has been established by the Board of Directors:

The **Executive Committee** conducts all business of the OCFA, with the exception of policy issues, including labor relations, budget issues, and other matters specifically retained by the Board. The Executive Committee consists of no more than nine members of the Board and includes the following designated positions: the Chair and Vice Chair of the Board, the immediate past Chair of the Board, and the Chair of the Budget and Finance Committee. In addition, the Chair appoints five at-large members, subject to the approval of the Board. At least one member of the County Board of Supervisors serves on this committee. In addition, the ratio of committee members representing cash contract cities to the total committee membership is as close as reasonably possible to the ratio of the number of cash contract cities to total member agencies. The Chair of the City Managers Technical Advisory Committee serves as an ex-officio, non-voting member of the Executive Committee.

The **Budget and Finance Committee** advises staff and makes recommendations to the Board on matters related to financial and budget policies, development of budgets for the General Fund and capital expenditures, assignment of fund balances, budget balancing measures, evaluation and development of plans to meet long-term financing needs, investment oversight, and purchasing policies. The Budget and Finance Committee is also designated to serve as OCFA's audit oversight committee. The Board Chair makes appointments to the committee on an annual or as-needed basis and in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing structural fire fund and cash contract cities. The Board, through the Board Chair, appoints one City Manager to serve as an ex-officio, non-voting member of the committee.

The **Human Resources Committee** advises OCFA staff and makes recommendations to the Board on matters regarding human resources policies; job class specifications; compensation programs; benefit changes and renewals; labor negotiations; staff training, development and recognition programs; succession planning; risk management and workers' compensation policies; and development of management/performance evaluation and information systems. The committee consists of no more than seven members of the Board, all of which are appointed by the Board Chair. Appointments to the committee are made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing structural fire fund and cash contract cities.

The **Legislative and Public Affairs Committee** advises the Executive Committee and Board on matters related to public outreach and legislative affairs at the local, state, and federal levels; reviews and provides recommendations on legislative and regulatory matters that may impact OCFA; receives status reports from OCFA's legislative advocates and staff; reviews and provides recommendations pertaining to OCFA's public outreach, branding, and communications activities; and evaluates opportunities to enhance OCFA public relations. The committee consists of no more than seven members of the Board, all of which are appointed by the Board Chair. Appointments to the committee are made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing structural fire fund and cash contract cities.

The **Operations Committee** advises the Executive Committee and Board on high level policy decisions related to the operations of the OCFA. The committee reviews plans for future needs of the OCFA, explores alternatives to services, and makes recommendations to support operations. The committee is not intended to get into the day-to-day operations of OCFA, which is the responsibility of the Fire Chief and Executive Management. The committee consists of no more than seven members of the Board, all of which are appointed by the Board Chair. Appointments to the committee are made in such a manner as to achieve, as close as reasonably possible, a balance between the number of members representing structural fire fund and cash contract cities.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Orange County Fire Authority
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Orange County Fire Authority



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Financial Section





INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
Orange County Fire Authority
Irvine, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Orange County Fire Authority (the Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

Prior-Year Summarized Comparative Information

The financial statements of the Authority for the year ended June 30, 2023, were audited by other auditors, who expressed unmodified opinions on those statements on October 9, 2023. We were not engaged to audit, review or apply any procedures to the financial statements as of and for the year ended June 30, 2023, from which the prior-year summarized comparative information has been derived and, accordingly we do not express an opinion or any other form of assurance on the prior-year summarized comparative information.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required pension and other postemployment benefits schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The budgetary comparison and combining schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the budgetary comparison and combining schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

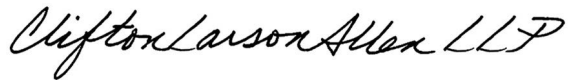
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Members of the Board of Directors
Orange County Fire Authority

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Irvine, California
October 24, 2024

Management's Discussion and Analysis



ARE YOU
WILDFIRE
READY?



READY, SET, GO!

ocfa.org/RSG

Burn Demonstration
September 18, 2023

ORANGE COUNTY FIRE AUTHORITY
Management's Discussion and Analysis
Year ended June 30, 2024

As management of the Orange County Fire Authority (OCFA), we offer readers of the financial statements this overview and analysis of OCFA's financial activities for the fiscal year ended June 30, 2024.

Financial Highlights

Governmental Activities: OCFA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$209,136,329 at June 30, 2024. Net position consisted of net investment in capital assets totaling \$205,581,885; amounts restricted for capital and other projects totaling \$32,160,903; and an unrestricted deficit totaling \$28,606,459. Net position increased by \$146,739,424 as the result of current year operations.

Governmental Funds: OCFA's governmental fund balances totaled \$333,776,450 at June 30, 2024, an increase of \$23,823,277 over the prior fiscal year as a result of current year operations. Approximately 9.4% was available for funding future operational needs.

General Fund: Fund balance in the General Fund was categorized as follows at June 30, 2024:

➤ Nonspendable	\$ 35,493,078
➤ Restricted	14,450,688
➤ Committed	3,423,205
➤ Assigned	180,728,874
➤ Unassigned	<u>31,515,336</u>
Fund balance of the General Fund as of June 30, 2024	<u>\$265,611,181</u>

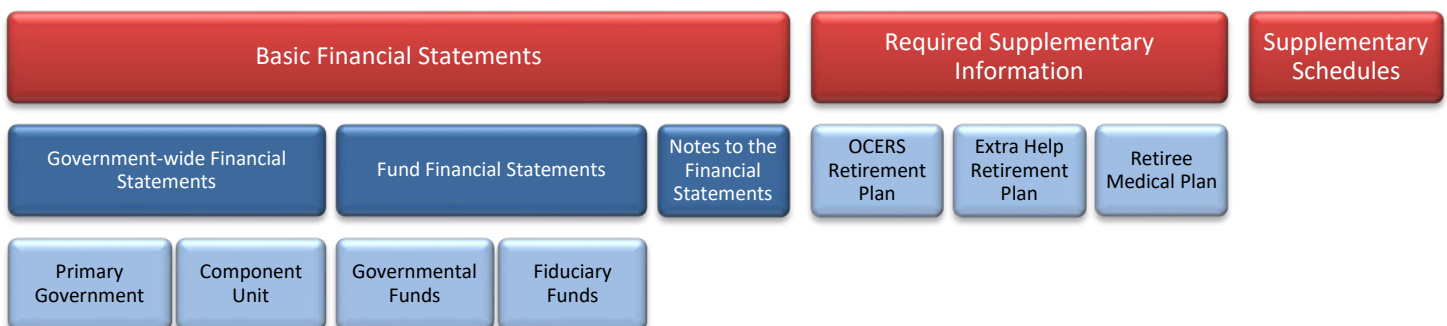
Events with Significant Financial Impact:

Funding the Retiree Medical Plan: As of December 2020, OCFA achieved 87.7% funding of its Unfunded Actuarial Accrued Liability (UAAL) with the Orange County Employees Retirement System (OCERS). Thus, during Fiscal Year 2023/24, OCFA redirected \$20,772,547 in cash "Snowball Plan" payments to the Retiree Medical Plan in accordance with the 4th Amendment to the Joint Powers Authority Agreement.

Firehawk Helicopters: During Fiscal Year 2023/24, OCFA acquired and placed into service two Sikorsky Firehawk helicopters at a total cost of \$57.0 million.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to OCFA's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition, the financial section of this report contains required supplementary information and supplementary schedules.



Government-wide Financial Statements: The government-wide financial statements provide a broad overview of OCFA's and the OCFA Foundation's finances in a manner like private-sector business. Public safety activities are reported as governmental activities, because they are principally supported by taxes and intergovernmental revenues. The government-wide financial statements can be found on pages 27-28.

Statement of Net Position: The statement of net position presents information on assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The differences between these items are reported as "net position." Over time, increases or decreases in net position serve as an indicator of whether the financial position is improving or deteriorating.

Statement of Activities: The statement of activities shows how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements: A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities. Like other state and local governments, OCFA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. OCFA's funds can be divided into two categories – governmental and fiduciary.

Governmental Funds: Governmental funds account for essentially the same functions as those reported in the government-wide financial statements as "governmental activities." However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information is useful in evaluating a government's near-term financing requirements. Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of near-term financial decisions. Reconciliations are provided to facilitate this comparison for the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances.

OCFA reports four governmental funds. Information for each governmental fund is presented separately in the fund financial statements, because OCFA has elected to classify all governmental funds as major funds. OCFA adopts an annual appropriated budget for each governmental fund. Budgetary comparison statements or schedules are provided for the governmental funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 29-34.

Fiduciary Funds: Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support OCFA's own programs. Combined basic fiduciary fund financial statements can be found on pages 35-36.

Notes to the Financial Statements and Required Supplementary Information (RSI): The notes to the financial statements and RSI provide additional information that is essential to fully understanding the data provided in the government-wide and fund financial statements, including information about OCFA's retirement and other postemployment benefit plans. RSI, while not a part of the basic financial statements, is considered to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The notes to the financial statements can be found on pages 37-90 and RSI can be found on pages 91-104.

Supplementary Schedules: The budgetary schedules referred to earlier in connection with governmental funds are presented in the supplementary schedules section. Combining and individual fund schedules can be found on pages 105-119.

Government-wide Financial Analysis

Net Position: As noted earlier, the change in net position over time serves as a useful indicator of a government's financial position. In the case of OCFA, net position totaled \$209,136,329 at the end of the most recent fiscal year, a 235.2% change from the prior fiscal year. Following is a summary of OCFA's net position as of June 30, 2024 and 2023:

ORANGE COUNTY FIRE AUTHORITY's Net Position				
<u>Governmental Activities</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Assets:				
Current and other assets	\$351,462,800	\$ 311,355,707	\$ 40,107,093	12.9%
Restricted assets	19,178,391	19,896,244	(717,853)	-3.6%
Capital assets, net	<u>277,232,218</u>	<u>265,329,787</u>	<u>11,902,431</u>	4.5%
Total assets	<u>647,873,409</u>	<u>596,581,738</u>	<u>51,291,671</u>	8.6%
Deferred outflows of resources:				
Related to pensions/OPEB	<u>187,213,338</u>	<u>268,112,178</u>	<u>(80,898,840)</u>	-30.2%
Total deferred outflows of resources	<u>187,213,338</u>	<u>268,112,178</u>	<u>(80,898,840)</u>	-30.2%
Liabilities:				
Long-term liabilities	493,498,413	619,934,017	(126,435,604)	-20.4%
Other liabilities	<u>51,540,099</u>	<u>35,046,192</u>	<u>16,493,907</u>	47.1%
Total liabilities	<u>545,038,512</u>	<u>654,980,209</u>	<u>(109,941,697)</u>	-16.8%
Deferred inflows of resources:				
Related to leases	774,231	839,179	(64,948)	-7.7%
Related to pensions/OPEB	<u>80,137,675</u>	<u>146,477,623</u>	<u>(66,339,948)</u>	-45.3%
Total deferred inflows of resources	<u>80,911,906</u>	<u>147,316,802</u>	<u>(66,404,896)</u>	-45.1%
Net position:				
Net investment in capital assets	205,581,885	208,153,667	(2,571,782)	-1.2%
Restricted for capital projects	17,983,252	17,848,297	134,955	0.8%
Restricted for augmentation and upstaffing activities	755,583	1,581,979	(826,396)	-52.2%
Restricted for greenhouse gas reduction activities	3,688,609	3,123,572	565,037	18.1%
Restricted for Section 115 pension trust	9,733,459	7,316,140	2,417,319	33.0%
Unrestricted	<u>(28,606,459)</u>	<u>(175,626,750)</u>	<u>147,020,291</u>	83.7%
Total net position (deficit)	<u>\$209,136,329</u>	<u>\$ 62,396,905</u>	<u>\$ 146,739,424</u>	235.2%

Net Investment in Capital Assets: At June 30, 2024, the largest portion of OCFA's net position is its net investment in capital assets. OCFA uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Repayment of any debt issued to acquire capital assets must be from other sources. OCFA cannot sell the assets to obtain funding.

Net Position Restricted for Capital Projects and Other Purposes: An additional portion of OCFA's net position includes resources that are subject to external restrictions on how they may be used. As of June 30, 2024, restricted net position relates to California Department of Forestry (CALFIRE) contract revenues that are legally restricted for fire station development; state funding restricted for augmentation, upstaffing, and greenhouse gas reduction activities; and amounts set aside in a Section 115 pension trust per contractual requirements.

Unrestricted Net Position: The remaining balance of net position is considered unrestricted. A positive unrestricted balance would represent amounts that may be used to meet OCFA's ongoing obligations to citizens and creditors. A deficit unrestricted balance, as reported on June 30, 2024, and June 30, 2023, indicates that OCFA's obligations currently exceed its resources. As of June 30, 2024, this deficit is due to the implementation of Governmental Accounting Standards Board (GASB) Statements No. 68 and No. 75 during Fiscal Year 2014/15 and Fiscal Year 2017/18, respectively. These statements required OCFA to begin reporting its net pension liabilities and the full amount of its net other postemployment benefit liabilities (OPEB) on the Statement of Net Position.

Changes in Net Position: Net position of OCFA's governmental activities increased by \$146,739,424 during the most recent fiscal year, an indication that OCFA's financial position has improved.

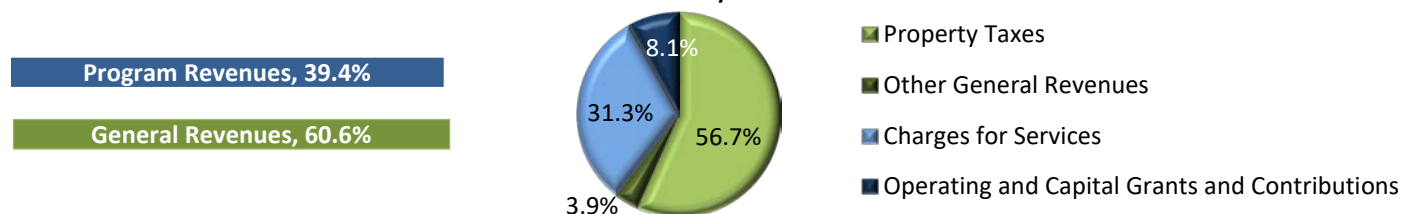
Governmental activities are divided into two categories – program and general. Program revenues are those derived directly from a government program itself, or from parties outside the government's taxpayers, and thus reduce the net cost of providing that program. Any program expenses that are not offset by program revenues must essentially be financed by general revenues, such as taxes and investment earnings. Following is a summary of the changes in OCFA's net position for Fiscal Year 2023/24 and Fiscal Year 2022/23, followed by explanations for the increases or decreases in revenues and expenses between fiscal years.

ORANGE COUNTY FIRE AUTHORITY's Changes in Net Position

Governmental Activities	June 30, 2024	June 30, 2023	Increase (Decrease)	
			Amount	%
Program revenues:				
Charges for services	\$188,438,426	\$ 173,110,122	\$ 15,328,304	8.9%
Operating grants and contributions	47,156,686	52,676,947	(5,520,261)	-10.5%
Capital grants and contributions	1,753,932	18,576,840	(16,822,908)	-90.6%
Total program revenues	237,349,044	244,363,909	(7,014,865)	-2.9%
General revenues:				
Property taxes	340,988,284	326,138,528	14,849,756	4.6%
Investment income (loss)	14,812,211	5,388,518	9,423,693	174.9%
Miscellaneous	8,191,083	7,623,310	567,773	7.4%
Total general revenues	363,991,578	339,150,356	24,841,222	7.3%
Total revenues	601,340,622	583,514,265	17,826,357	3.1%
Public safety expenses:				
Salaries and benefits	336,724,804	346,185,496	(9,460,692)	-2.7%
Services and supplies	96,221,088	100,752,172	(4,531,084)	-4.5%
Depreciation and amortization	19,734,587	25,712,134	(5,977,547)	-23.2%
Total public safety expenses	452,680,479	472,649,802	(19,969,323)	-4.2%
Interest on long-term debt	1,920,719	1,661,133	259,586	15.6%
Total expenses	454,601,198	474,310,935	(19,709,737)	-4.2%
Change in net position	146,739,424	109,203,330	37,536,094	
Net position (deficit), beginning of year	62,396,905	(46,806,425)	109,203,330	
Net position (deficit), end of year	\$209,136,329	\$ 62,396,905	\$146,739,424	235.2%

Revenues of Governmental Activities - By Source

Fiscal Year 2023/24



Program Revenues: Program revenues, which totaled \$237,349,044 for Fiscal Year 2023/24 and accounted for 39.4% of total revenues, decreased by \$7,014,865 from the prior fiscal year.

Charges for Services include amounts received from those who purchase, use, or directly benefit from or are affected by a program. These revenues increased by \$15,328,304 over the prior fiscal year.

Amount (Rounded)	Reason for Increase / Decrease
+\$7,635,000	OCFA contracts to provide emergency response services to its cash contract cities and other government agencies. Revenues from cash contract cities increased by \$6,090,000 during Fiscal Year 2023/24 based on contractual terms of the Joint Powers Agreement. Other changes in Fiscal Year 2023/24 included contracts with CALFIRE for protection of State Responsibility Area (SRA) lands (+\$1,370,000) and with John Wayne Airport for Airport Rescue Firefighting (ARFF) Services (+\$175,000).
+\$4,235,000	Reimbursements for state and federal "assistance by hire" incidents vary depending on emergency response activity. State reimbursements increased in Fiscal Year 2023/24 by \$3,895,000. OCFA responded to sixty-five state incidents in the current fiscal year as compared to forty-six in the prior fiscal year. Significant fire incidents in Fiscal Year 2023/24 included the out-of-county Post, Smith River Complex, and Bonnie fires. Federal responses to national emergency incidents and for the Fire Management Assistance Grant (FMAG) program increased in Fiscal Year 2023/24 by \$340,000. Activity was higher in the current fiscal year due to the in-county Hangar fire, as compared to activities in the prior fiscal year for the COVID-19 pandemic.

(Continued)

(Continued)

Amount (Rounded)	Reason for Increase / Decrease
+\$2,900,000	Ambulance transport and supplies reimbursements increased in Fiscal Year 2023/24 by \$2.9 million. Monthly supplies reimbursement billings to one ambulance provider had been on hold since August 2021. Although revenue and receivable estimates were accrued, they were offset by a 100% allowance for doubtful accounts. In July 2024, a settlement agreement was reached with the ambulance provider and amounts pertaining to the period August 2021 through June 2023 were recognized as revenue in Fiscal Year 2023/24.
+\$470,000	Fee-based fire prevention revenues for inspections, planning and development, and related late fees increased in Fiscal Year 2023/24. This was primarily due to a higher volume of inspections completed as compared to the prior fiscal year. New businesses were added in the city of Garden Grove, engine companies completed more inspections, and additional permits were issued due to inspection referrals. In addition, data analysis completed as part of the implementation of the new Orion Phase 1 Integrated Fire Prevention (IFP) software system in Fiscal Year 2023/24 identified process efficiencies and some additional inspections to be performed.
+\$90,000	Road maintenance, fuel reduction, and other contract revenues generated by the hand crew increased because more work was completed for Southern California Edison and the Orange County Parks Department.
+\$15,330,000	Program Revenues: Charges for Services – Net Increase

Operating Grants and Contributions include grants, contributions, donations, and similar items that are restricted to one or more specific program. These revenues decreased by \$5,520,261 from the prior fiscal year.

Amount (Rounded)	Reason for Increase / Decrease
-\$11,385,000	During Fiscal Year 2023/24, OCFA received \$4,650,000 in state revenue to fund the Fire Integrated Real-Time Intelligence System (FIRIS) program in support of the wildfire season. This was a decrease from the \$16,035,000 in state funding received for the same program in the prior fiscal year. Beginning in Fiscal Year 2023/24, certain components of the program were transitioned from OCFA to the state, including lease of fixed wing aircraft, program management, fusion center support, fire modeling, and facility rent. OCFA only retained responsibility for the “mission command” portion of the program, which included air tactical ground support and administrative staff support. The decrease in revenue reimbursements correlated with lower costs incurred by OCFA to operate its portion of the program.
+\$5,570,000	Tax increment passed through from member agencies increased by \$5,570,000. The State of California dissolved its redevelopment program in Fiscal Year 2011/12. City redevelopment agencies were replaced with successor agencies to manage the wind-down of the program. Tax increment was deposited into a trust from which the County of Orange Auditor/Controller makes disbursements to OCFA that vary each fiscal year.
+\$245,000	In both the current and prior fiscal years, OCFA received donations from Southern California Edison (SCE) to support the Quick Reaction Force (QRF), a seasonal wildland air operations program. The increase in SCE revenue correlated with higher costs incurred by OCFA to operate the program during Fiscal Year 2023/24, offset by an increase in incident-related flight time that was funded by non-SCE sources.
+\$215,000	Net changes in other operating grants and contributions increased primarily due to an increase in projects eligible for reimbursement from the California Firefighter Joint Apprenticeship Committee. OCFA was reimbursed for twelve projects in the current fiscal year as compared to one in the prior fiscal year. The most significant project in Fiscal Year 2023/24 was the South Canyon Staff Ride training exercise held in Glenwood Springs, Colorado for sixty-nine participants.
-\$165,000	Federal and state operating grants and other funding sources decreased in Fiscal Year 2023/24 since OCFA incurred fewer reimbursable costs for certain programs, including a state vegetation management grant.
-\$5,520,000	Program Revenues: Operating Grants and Contributions – Net Decrease

Capital Grants and Contributions include grants, contributions, donations, and similar items that are restricted to one or more specific capital-related programs. These revenues decreased by \$16,822,908 from the prior fiscal year.

Amount (Rounded)	Reason for Increase / Decrease
-\$16,635,000	Federal and state grants and other funding sources received for capital-related activities decreased in Fiscal Year 2023/24. During Fiscal Year 2022/23, OCFA received \$16,950,000 in state funding for the construction of a new hand crew fire station. This was offset by increases totaling \$315,000 for cost-reimbursement based grants. Reimbursable federal and state grant purchases in Fiscal Year 2022/23 included fuel reduction equipment and an education trailer. Reimbursable federal and state grant purchases in Fiscal Year 2023/24 included hazardous fuels reduction equipment, an instrument training simulator, an aviation command trailer, a mass spectrometer, and a mobile helicopter dip tank.
-\$150,000	Revenues from developers increased by \$680,000 in Fiscal Year 2023/24 per the terms of various Secured Fire Protection Agreements. Contributions varied between the current and prior fiscal years because of construction projects in the cities of Dana Point, Irvine, and Lake Forest, and the unincorporated area of Rancho Mission Viejo. In addition, during Fiscal Year 2022/23, OCFA received a developer fee reimbursement totaling \$830,000 relating to a new type 1 engine assigned to Fire Station No. 67 (Rancho Mission Viejo).
-\$40,000	Net changes in other capital grants and contributions decreased primarily due to projects eligible for reimbursement from the California Firefighter Joint Apprenticeship Committee. Fiscal Year 2022/23 purchases included a Freightliner box truck and four forcible entry door simulators totaling \$190,000. Fiscal Year 2023/24 purchases included two swift water jet skis, a trailer, and a shipping container totaling \$45,000. In addition, OCFA received a portable mass spectrometer from the Anaheim Police Department during Fiscal Year 2023/24 valued at \$105,000. This was a one-time capital asset contribution that occurred to transfer the grant-funded equipment between agencies participating in the Urban Area Security Initiative (UASI) grant.
-\$16,825,000	Program Revenues: Capital Grants and Contributions – Net Decrease

General Revenues: General revenues, which totaled \$363,991,578 for Fiscal Year 2023/24 and accounted for 60.6% of total revenues, increased by \$24,841,222 over the prior fiscal year.

Amount (Rounded)	Reason for Increase / Decrease			
+\$14,850,000	Property taxes increased by \$14,850,000 over the prior fiscal year primarily due to increases in secured property taxes. Secured property taxes increased by 6.2%, which is consistent with a corresponding 6.2% increase in the assessed property values for jurisdictions within OCFA’s structural fire fund.			
+\$9,420,000	Investment income increased by \$9,420,000. OCFA’s year-to-date effective rate of return on its investment portfolio was 3.77% at June 30, 2024, as compared to 2.27% at June 30, 2023, generating an increase to overall portfolio earnings. OCFA adjusts its investments to market value as of June 30 each year. This resulted in an overall investment gain in Fiscal Year 2023/24, and generated an increase in investment income as compared to the prior fiscal year’s market value loss. The market value adjustment is a “paper only” transaction since OCFA typically holds its investments to maturity. These and other components of investment income are summarized below:			
		FY 2023/24	FY 2022/23	Increase (Decrease)
	Portfolio earnings	\$ 9,440,000	\$4,605,000	\$ 4,835,000
	Market value gain (loss)	3,700,000	(180,000)	3,880,000
	Interest on property taxes	850,000	400,000	450,000
	Helicopter debt escrow account	505,000	325,000	180,000
	Section 115 pension trust	210,000	155,000	55,000
	Cell tower lease revenue	95,000	75,000	20,000
	Total investment income	\$14,800,000	\$5,380,000	\$9,420,000
+\$570,000	Miscellaneous and other revenues increased primarily due to changes in amounts received from the Orange County Professional Firefighters Association IAFF Local 3631 in connection with the contract governing OCFA’s contributions to the firefighter medical trust.			
+\$24,840,000	General Revenues – Net Increase			



Public Safety Expenses: Total public safety expenses decreased by \$19,969,323 from the prior fiscal year.

Amount (Rounded)	Reason for Increase / Decrease
+\$20,835,000	Reasons for increases and decreases to the following categories of salaries and benefits are explained in the Major Governmental Funds – General Fund portion of this Management’s Discussion and Analysis (pages 14-15): regular pay (+\$12,870,000); overtime (+\$4,555,000); other pay (+\$1,815,000); health insurance (+\$1,420,000); extra help (+\$540,000); and vacation and sick leave payouts (-\$365,000).
-\$27,240,000	Retirement contributions remitted to the Orange County Employees Retirement System (OCERS) decreased by \$2,345,000. Reasons for the decrease in actual plan contributions are explained in the Major Governmental Funds – General Fund portion of this Management’s Discussion and Analysis (page 14). In addition, under the requirements of GASB Statement No. 68, the amount of pension expense recognized during Fiscal Year 2023/24 to fully capture OCFA’s share of the net pension liability in its governmental activities was \$24,895,000 less than the prior fiscal year.
-\$4,065,000	Employer contributions to the Retiree Medical Plan increased by \$3,820,000. Reasons for the increase in actual plan contributions are explained in the Major Governmental Funds – General Fund portion of this Management’s Discussion and Analysis (page 14). In addition, under the requirements of GASB Statement No. 75, the amount of OPEB expense recognized during Fiscal Year 2023/24 in order to fully capture OCFA’s net OPEB liability in its governmental activities was \$7,885,000 less than the prior fiscal year.
+\$1,010,000	The net change in long-term liabilities for various employee leave balances increased by \$1,010,000 as compared to the prior fiscal year and is recognized as an expense (credit) in the governmental activities.
-\$9,460,000	Subtotal for Public Safety Salaries and Benefits – Net Decrease
+\$1,070,000	Reasons for increases and decreases to services and supplies are explained in the Major Governmental Funds portion of this Management’s Discussion and Analysis (pages 15-20). OCFA also recognized a greater loss on disposal of capital assets during Fiscal Year 2023/24 due to a project that was abandoned before placing into service. <div><div>➤ FIRIS program</div><div>➤ Quick Reaction Force (QRF) program</div><div>➤ Fire Station No. 41 Fullerton Airport improvement project</div><div>➤ Other services and supplies (various funds)</div><div>➤ Loss on disposal of capital assets</div><div>Total – net increase in expenses</div><div><div>-\$11,630,000</div><div>+7,830,000</div><div>+1,245,000</div><div>+\$3,500,000</div><div>+\$125,000</div><div>+\$1,070,000</div></div></div>
-\$5,600,000	OCFA’s long-term liability for workers’ compensation reflects the present value of estimated outstanding losses, as determined by an actuarial valuation and the “confidence level” set by the Board of Directors. The change in the actuarial liability estimate, plus actual cash claims paid, is recognized as an expense. <div><div></div><div><div>FY 2023/24</div><div>FY 2022/23</div><div>Increase (Decrease)</div></div><div><div>Actual claims paid</div><div>Change in actuarial estimate</div><div>Total expenses</div></div><div><div>\$17,965,000</div><div>3,625,000</div><div>\$21,590,000</div></div><div><div>\$15,125,000</div><div>12,065,000</div><div>\$27,190,000</div></div><div><div>\$ 2,840,000</div><div>(8,440,000)</div><div>\$(5,600,000)</div></div></div>
-\$4,530,000	Subtotal for Public Safety Services and Supplies – Net Decrease
-\$5,980,000	Public Safety Depreciation and Amortization Expense , which had no impact on OCFA’s cash balances, decreased by \$5,980,000, and pertained primarily to amortization on right-to-use lease aircraft. Aircraft leased from Coulson Aviation (USA) Inc. was amortized for a full twelve months during Fiscal Year 2022/23, as compared to only six months during Fiscal Year 2023/24. The eighteen-month lease expired in December 2023.
+\$19,970,000	Total Public Safety Expenses – Net Decrease

OCFA Foundation: OCFA reports the financial activities of the OCFA Foundation as a discretely presented component unit in its government-wide financial statements. The OCFA Foundation also issues separate, component-unit financial statements that may be obtained through written request from OCFA Executive Management at 1 Fire Authority Road, Irvine, California, 92602. The net position of the OCFA Foundation totaled \$308,697 at June 30, 2024, a 1.9% increase from the prior fiscal year. Following is a summary of the OCFA Foundation's net position as of and for the changes thereof for the fiscal years ending June 30, 2024 and 2023:

OCFA FOUNDATION's Condensed Financial Activity				
Component Unit	June 30, 2024	June 30, 2023	Increase (Decrease)	
			Amount	%
Assets:				
Current and other assets	\$311,508	\$328,218	\$(16,710)	-5.1%
Capital assets, net	<u>10,319</u>	<u>11,118</u>	<u>(799)</u>	-7.2%
Total assets	<u>321,827</u>	<u>339,336</u>	<u>(17,509)</u>	-5.2%
Liabilities:				
Other liabilities	<u>13,130</u>	<u>36,392</u>	<u>(23,262)</u>	-63.9%
Total liabilities	<u>13,130</u>	<u>36,392</u>	<u>(23,262)</u>	-63.9%
Net position:				
Investment in capital assets	10,319	11,118	(799)	-7.2%
Restricted for grants, donations, and other programs	74,215	92,629	(18,414)	-19.9%
Unrestricted	<u>224,163</u>	<u>199,197</u>	<u>24,966</u>	12.5%
Total net position	<u>\$308,697</u>	<u>\$302,944</u>	<u>\$ 5,753</u>	1.9%
Program revenues:				
Operating grants and contributions	<u>\$170,383</u>	<u>\$189,805</u>	<u>\$(19,422)</u>	-10.2%
Total revenues	<u>170,383</u>	<u>189,805</u>	<u>\$(19,422)</u>	-10.2%
Public safety expenses:				
Services and supplies	163,831	229,516	(65,685)	-28.6%
Depreciation and amortization	<u>799</u>	<u>799</u>	<u>-</u>	n/a
Total expenses	<u>164,630</u>	<u>230,315</u>	<u>(65,685)</u>	-28.5%
Change in net position	5,753	(40,510)	46,263	
Net position, beginning of year	<u>302,944</u>	<u>343,454</u>	<u>(40,510)</u>	
Net position, end of year	<u>\$308,697</u>	<u>\$302,944</u>	<u>\$ 5,753</u>	1.9%

Net Position: At June 30, 2024, a portion of OCFA Foundation's net position reflects its investment in capital assets, which are not available for future spending. An additional portion of net position represents resources subject to external, donor-imposed restrictions that will be met through the actions of the Foundation or the passage of time. As of June 30, 2024, restricted net position included unspent amounts received for the Smoke Alarm Outreach Program, Drowning Prevention, the Fire Cadet Academy, the September 11th Memorial Project, the Holiday Toy Drive, Firesetter Regional Intervention Education Network and Delivery System (Fire FRIENDS), the Best & Bravest Employee Awards event, and projects at fire stations in Irvine, Laguna Hills, and Laguna Niguel. The remaining balance of the OCFA Foundation's net position is considered unrestricted and may be used to meet ongoing obligations.

Changes in Net Position: During Fiscal Year 2023/24, operating grants and contributions included \$119,960 in general contributions and \$50,423 in donations and other revenues restricted for various OCFA Foundation programs. Services and supplies expenses included \$17,718 for administrative costs and \$146,912 related to various programs.

Financial Analysis of OCFA's Governmental Funds

Governmental Funds: OCFA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of OCFA's governmental funds is on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the OCFA's financing requirements. Fund balance is divided into the following five categories:

- **Nonspendable:** Not in a spendable form, or legally or contractually required to remain intact
- **Restricted:** Subject to externally enforceable legal restrictions
- **Committed:** Use is constrained by specific limitations that the Board of Directors imposes upon itself by a formal action
- **Assigned:** Intended to be used by the government for specific purposes, subject to change, as established by the governing body itself or by management officials who have been delegated authority by the governing body

- **Unassigned:** Residual amounts in the General Fund available for any purpose (may serve as a useful measure of a government's net resources available for funding future operational needs)

Major Governmental Funds: If the assets, liabilities, revenues, or expenditures of a governmental fund exceed 10% of the total of all governmental funds, that fund is reported as major in the fund financial statements. OCFA has elected to classify all its governmental funds as major, regardless of the calculation. Following is a description of the changes in each fund's revenues, expenditures, and other financing sources and uses from the prior to the current fiscal year, and how those changes impacted net fund balance. ***Increases to revenues and other financing sources impact fund balance positively, while increases to expenditures and other financing uses impact fund balance negatively.***



The **General Fund** is the chief operating fund of OCFA. At the end of Fiscal Year 2023/24, the General Fund's fund balance totaled \$265,611,181. Unassigned fund balance totaling \$31,515,336 (11.9%) is available for future spending. The remaining \$234,095,845 (88.1%) is not available for spending on any new purpose, because it has already been restricted, committed or assigned for specific purposes, or is in a nonspendable form. Total fund balance of OCFA's General Fund increased by \$36,552,165 during the current fiscal year. The prior fiscal year's fund balance increased by \$28,576,415, a difference of \$7,975,750. The significant reason(s) for that net difference are summarized in the following tables.

	Impact on Fund Balance (Rounded)
Revenues – net increase	+\$32,340,000
Expenditures – net increase	-\$2,450,000
Other financing sources and uses – net increase	-\$21,915,000
Impact on fund balance – net increase	+\$7,975,000

Impact on Fund Balance (Rounded)	Description
+\$14,850,000	Taxes. Revenue from property taxes increased primarily due to secured property taxes, which were 6.2% higher than the prior fiscal year. The increase in secured property taxes is related to a rise in assessed property values for jurisdictions within OCFA's structural fire fund.
+\$9,575,000	Charges for Services. The most significant increase in charges for services was over \$5.9 million for operating and facilities charges to cash contract cities per terms of the Joint Powers Agreement. In addition, ambulance transport and supplies reimbursements increased by \$2.9 million. Monthly supplies reimbursement billings to one ambulance provider had been on hold since August 2021. Although revenue and receivable estimates were accrued, they were offset by a 100% allowance for doubtful accounts. In July 2024, a settlement agreement was reached with the ambulance provider and amounts pertaining to the period August 2021 through June 2023 were recognized as revenue in Fiscal Year 2023/24.
+\$6,690,000	Use of Money and Property. The portion of investment portfolio earnings and market value gain allocated to the fund increased by \$6,165,000. Other increases included interest related to property taxes (+\$450,000), interest from the Section 115 pension trust (+\$55,000), and lease revenue from the Regional Fire Operations and Training Center (RFOTC) cell phone tower (+\$20,000).
+\$1,205,000	Miscellaneous. The increase in miscellaneous revenue primarily relates to an increase in amounts received from the Orange County Professional Firefighters Association IAFF Local 3631 in connection with OCFA's contract governing contributions to the firefighter medical trust, which pays monthly health care premiums for employees in the firefighter unit. During Fiscal Year 2022/23, OCFA received a \$7.0 million credit based on a review of the 2021 calendar year trust balance. During Fiscal Year 2023/24, OCFA received a \$7.8 million credit based on a review of the 2022 calendar year trust balance. Other miscellaneous revenue increases in Fiscal Year 2023/24 included funding from Southern California Edison (SCE) for the Quick Reaction Force program, a donation from a business located in OCFA's jurisdiction, and projects eligible for reimbursement from the California Firefighter Joint Apprenticeship Committee.

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(Continued)

Impact on Fund Balance (Rounded)	Description																		
+\$20,000	Intergovernmental. The net increase in intergovernmental revenue related to a variety of individual increases and decreases since activities and events vary by fiscal year. The most significant increase related to \$5.6 million in tax increment passed through from member cities and the County of Orange, which varies based on disbursements made by the County of Orange Auditor/Controller from a Redevelopment Property Tax Trust Fund. Another significant increase was \$4.2 million in state and federal “assistance by hire” for emergency response activity and federal reimbursements for responses to tropical cyclones and other disasters. OCFA responded to sixty-five state incidents in the current fiscal year as compared to forty-six in the prior fiscal year. Federal responses to national emergency incidents and for the Fire Management Assistance Grant (FMAG) program were also higher in the current fiscal year due to the in-county Hangar fire. These increases were offset by an \$11.4 million decrease in state funding for the Fire Integrated Real-Time Intelligence System (FIRIS) Program as components of the program’s management were transitioned from OCFA to the state.																		
+\$32,340,000	Subtotal – Impact of Revenues																		
-\$12,870,000	Regular Pay. Regular pay and related costs such as Medicare taxes increased by nearly \$12.9 million in Fiscal Year 2023/24. Scheduled pay increases went into effect per negotiated labor contracts, including the chief officers (3.285% effective July 2023), administrative managers (4.25% effective July 2023), firefighter unit (3.5% effective March 2024), and general and supervisory units (3.5% effective May 2024). The chief officers and administrative managers did not receive pay increases in Fiscal Year 2022/23. The firefighter unit and general and supervisory units received salary increases during Fiscal Year 2022/23 that were in effect for only a few months.																		
-\$4,555,000	Overtime. Overtime costs increased by over \$4.5 million, including overtime for emergencies and backfill for suppression personnel utilizing leave balances or on workers’ compensation. There were more in-county and out-of-county emergency events generating overtime in Fiscal Year 2023/24.																		
-\$3,820,000	Employer Retiree Medical Contributions. OCFA contributed over \$28.6 million to the Retiree Medical Trust in Fiscal Year 2023/24, as compared to over \$24.7 million in contributions made in the prior fiscal year. With OCFA’s pension plan at OCERS achieving 85% funding, “Snowball Plan” contributions are being redirected to the Retiree Medical Plan in accordance with the 4th Amendment to the Joint Powers Authority Agreement. In addition, OCFA receives any excess funds from a medical trust managed by Orange County Professional Firefighters Association IAFF Local 3631 and, in turn, contributes those funds to the Retiree Medical Trust per terms of the Health Plan Agreement.																		
+\$2,345,000	Retirement. Actuarially required pension contributions based on employee compensation, net of savings achieved by pre-paying a portion of the subsequent fiscal year’s contribution to the Orange County Employees Retirement System (OCERS), decreased by \$4.3 million. That decrease is due in part to a decrease in the required employer retirement rates with OCERS for Fiscal Year 2023/24. The decrease to normal retirement costs was offset by increases for \$2.1 million in one-time rate saving payments made in accordance with OCFA’s “Snowball Plan.” Employer interest paid for employee reciprocity calculations also decreased by \$130,000.																		
-\$1,815,000	<p>Other Pay. Other pay increased or decreased as follows during Fiscal Year 2023/24:</p> <table> <tr> <td>➤ Special assignment pay for other safety specialties</td><td>+\$495,000</td></tr> <tr> <td>➤ Paramedic specialty pay</td><td>+\$475,000</td></tr> <tr> <td>➤ Emergency medical technician (EMT) pay</td><td>+\$145,000</td></tr> <tr> <td>Subtotal – increase in specialty pay for safety employees</td><td>+\$1,115,000</td></tr> <tr> <td>➤ Education incentive pay (safety and non-safety)</td><td>+\$680,000</td></tr> <tr> <td>➤ Workers’ compensation pay</td><td>-\$185,000</td></tr> <tr> <td>➤ Longevity incentive pay (chief officers and administrative managers)</td><td>+\$125,000</td></tr> <tr> <td>➤ Other miscellaneous taxable and nontaxable pay</td><td>+\$80,000</td></tr> <tr> <td>Total – net increase in expenditures</td><td>+\$1,815,000</td></tr> </table> <p>Specialty pay for safety employees was the most significant contributor to the increase in other pay. Memorandums of Understanding (MOU) between OCFA and its safety labor groups include certain specialty pay provisions, which are typically calculated as a percentage of regular pay. Regular pay increases for both groups that went into effect during Fiscal Year 2023/24 generated increases in most related specialty pays such as EMT pay, paramedic specialty pay, special assignment pay, and education incentive pay.</p>	➤ Special assignment pay for other safety specialties	+\$495,000	➤ Paramedic specialty pay	+\$475,000	➤ Emergency medical technician (EMT) pay	+\$145,000	Subtotal – increase in specialty pay for safety employees	+\$1,115,000	➤ Education incentive pay (safety and non-safety)	+\$680,000	➤ Workers’ compensation pay	-\$185,000	➤ Longevity incentive pay (chief officers and administrative managers)	+\$125,000	➤ Other miscellaneous taxable and nontaxable pay	+\$80,000	Total – net increase in expenditures	+\$1,815,000
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Impact on Fund Balance (Rounded)	Description																																
-\$1,420,000	Health Insurance. Employee health insurance and other benefits increased primarily due to firefighter health insurance premiums. OCFA contributes toward the cost of firefighter health insurance premiums at a contractual rate per month, per employee. The monthly rate was \$2,199 per month for both the current and prior fiscal years; however, more firefighter personnel had healthcare coverage for all twelve months during Fiscal Year 2023/24.																																
-\$540,000	Extra Help. Salary costs for temporary, “extra help” employees vary each fiscal year as projects and short-term vacancies arise. The \$540,000 increase in Fiscal Year 2023/24 is primarily attributed to the Urban Search & Rescue (US&R) grant program and the Emergency Command Center. Various US&R personnel who had previously been paid as contractors were instead hired as extra help employees. In addition, several retired or separated dispatchers returned on a short-term basis to fill vacancies in the Emergency Command Center.																																
+\$365,000	Vacation and Sick Leave Payouts. Vacation and sick leave payouts decreased primarily due to the retirement of four long-term employees with significant balances during Fiscal Year 2022/23, as compared to only one significant payout during Fiscal Year 2023/24.																																
-\$22,310,000	Subtotal – Impact of Salaries and Benefits																																
+\$11,630,000	Fire Integrated Real-Time Intelligence System Program (FIRIS). FIRIS is a state-funded program providing enhanced, state-wide wildfire and all-hazard situational awareness for first responders. Program services and supplies (excluding salaries and benefits) decreased from \$15.7 million in Fiscal Year 2022/23 to \$4.1 million in Fiscal Year 2023/24. Beginning in Fiscal Year 2023/24, certain components of the program were transitioned from OCFA to the state, including lease of fixed wing aircraft, program management, fusion center support, fire modeling, and facility rent. OCFA retained responsibility for the “mission command” portion of the program (air tactical ground support). The decrease in services and supply costs correlated with lower revenue reimbursements from the state.																																
-\$7,830,000	Quick Reaction Force (QRF) Program. OCFA has partnered with Southern California Edison (SCE) in both the current and prior fiscal years to fund the QRF air operations program designed to enhance OCFA’s regional aerial wildland fire response and benefit the residents and businesses within SCE’s service territory. From July 2022 through December 2023, OCFA leased aircraft from Coulson Aviation (USA) Inc. to operate the program. Thus, certain QRF vendor payments were considered debt service for the long-term lease, rather than services and supplies expenditures, in accordance with GASB Statement No. 87. After the lease expired in December 2023, payments made under a new short-term lease were classified as services and supplies expenditures. Changes in the services and supplies expenditures for the program’s fixed costs (excluding flight time funded by other non-SCE sources) are thus higher in Fiscal Year 2023/24 as summarized below: <table><tr><td></td><td>FY 2023/24</td><td>FY 2022/23</td><td>Increase (Decrease)</td></tr><tr><td>Aircraft payments</td><td>\$13,005,000</td><td>\$13,415,000</td><td>\$ (410,000)</td></tr><tr><td>Mobile retardant plant and phos-check</td><td>2,080,000</td><td>1,455,000</td><td>625,000</td></tr><tr><td>Air tactical ground support</td><td>1,610,000</td><td>1,290,000</td><td>320,000</td></tr><tr><td>Program manager</td><td>120,000</td><td>145,000</td><td>(25,000)</td></tr><tr><td>Subtotal</td><td>16,815,000</td><td>16,305,000</td><td>510,000</td></tr><tr><td>Less: aircraft payments considered lease debt service</td><td>(5,915,000)</td><td>(13,235,000)</td><td>7,320,000</td></tr><tr><td>Total services and supplies expenditures</td><td>\$10,900,000</td><td>\$ 3,070,000</td><td>\$7,830,000</td></tr></table>		FY 2023/24	FY 2022/23	Increase (Decrease)	Aircraft payments	\$13,005,000	\$13,415,000	\$ (410,000)	Mobile retardant plant and phos-check	2,080,000	1,455,000	625,000	Air tactical ground support	1,610,000	1,290,000	320,000	Program manager	120,000	145,000	(25,000)	Subtotal	16,815,000	16,305,000	510,000	Less: aircraft payments considered lease debt service	(5,915,000)	(13,235,000)	7,320,000	Total services and supplies expenditures	\$10,900,000	\$ 3,070,000	\$7,830,000
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Less: aircraft payments considered lease debt service	(5,915,000)	(13,235,000)	7,320,000																														
Total services and supplies expenditures	\$10,900,000	\$ 3,070,000	\$7,830,000																														
-\$2,840,000	Workers’ Compensation Payments. OCFA’s self-insurance program covers workers’ compensation claims up to \$50 million, subject to a \$2 million retention per incident. Claims paid were higher during Fiscal Year 2023/24 as compared to the prior fiscal year. Amounts paid vary each year.																																
-\$1,245,000	Fire Station No. 41 Fullerton Airport Improvement Project. During Fiscal Year 2018/19, OCFA began a project to improve the dorm, kitchen, and other facilities at Fire Station No. 41 Fullerton Airport to accommodate 24-hour operations. The project was on hold for most of Fiscal Year 2022/23; however, work began again during Fiscal Year 2023/24 and the scope of work expanded to include aircraft landing pads and other facility improvements to support the additional Firehawk helicopters. Most costs incurred during the current fiscal year were for apron and airfield marking improvements. This project is ongoing and expected to continue through Fiscal Year 2024/25.																																

(Continued)

(Continued)

Impact on Fund Balance (Rounded)	Description
-\$3,285,000	<p>Other Services and Supplies. There was a net increase in other services and supplies during Fiscal Year 2023/24 as follows:</p> <ul style="list-style-type: none"> ➤ Firefighter wellness exam program transferred to Orange County Professional Firefighters Association IAFF Local 3631 -\$865,000 ➤ Multi-year fire station first-in alerting system replacement project +\$735,000 ➤ Communications equipment for vehicle outfitting +\$720,000 ➤ RFOTC uninterruptible power system replacement project -\$665,000 ➤ Vehicle repairs and automotive stock +\$660,000 ➤ Structural Fire Fund projects -\$590,000 ➤ Insurance premiums +\$575,000 ➤ Turnouts and structure personal protective equipment +\$535,000 ➤ Other services and supplies, net (combined) +\$2,180,000 Total – net increase in other services and supplies expenditures <u>+\$3,285,000</u>
-\$3,570,000	Subtotal – Impact of Services and Supplies
+\$18,445,000	<p>Capital Outlay – Right-to-Use Lease and Subscription Assets.</p> <ul style="list-style-type: none"> ➤ During Fiscal Year 2022/23, OCFA amended its aircraft lease with Coulson Aviation (USA) Inc. for use of aircraft in the QRF program. Because the lease was long-term in nature, capital outlay expenditures totaling \$18,710,000 million were recognized for the right-to-use lease aircraft acquired under the provisions of GASB Statement No. 87. The capital outlay expended was offset by an equal amount of lease proceeds received. ➤ During Fiscal Year 2023/24, OCFA entered into various subscription-based information technology arrangements (SBITA's). Because these cloud-based subscription agreements were long-term in nature, capital outlay expenditures totaling \$265,000 were recognized for the right-to-use subscription software acquired under the provisions of GASB Statement No. 96. The capital outlay expended was offset by an equal amount of subscription proceeds received.
-\$2,095,000	<p>Capital Outlay – Other Assets. Capital outlay varies each year based on organizational needs for new and replacement equipment and vehicles. The most significant purchases in Fiscal Year 2023/24 included 140 mobile 800 MHz radios, seven servers, twenty automated chest compression devices, one water tender, and various hazardous materials equipment. The most significant purchases in Fiscal Year 2022/23 included two box trucks, one caterpillar track loader, and 70 mobile data computers.</p>
+\$7,080,000	<p>Debt Service – Principal and Interest. Debt service decreased during Fiscal Year 2023/24 by \$6,755,000 and \$325,000 for principal and interest, respectively. Most of the decrease related to an eighteen-month aircraft lease with Coulson Aviation (USA) Inc. that expired midway through the current fiscal year in December 2023. After the lease expired, payments made under a new short-term lease were classified as services and supplies expenditures. As a result, debt service payments made in the current fiscal year were approximately half the amounts paid during the prior fiscal year. The \$7,320,000 decrease in aircraft lease debt service payments corresponds with an increase in services and supplies expenditures needed to operate the Quick Reaction Force (QRF) program as described on page 15.</p>
+\$23,430,000	Subtotal – Impact of Capital Outlay and Debt Service
-\$2,450,000	Subtotal – Impact of Expenditures

(Continued)

(Continued)

Impact on Fund Balance (Rounded)	Description
-\$18,445,000	<p>Proceeds from Issuance of Leases and Subscriptions.</p> <ul style="list-style-type: none"> ➤ During Fiscal Year 2022/23, OCFA amended its aircraft lease with Coulson Aviation (USA) Inc. for use of aircraft in the QRF program. Because the lease was long-term in nature, the present value of all future lease payments totaling \$18,710,000 was reported in the General Fund as proceeds from the issuance of lease-related debt under the provisions of GASB Statement No. 87. The lease proceeds received were offset by an equal amount of capital outlay expended for the right-to-use lease aircraft. ➤ During Fiscal Year 2023/24, OCFA entered into various subscription-based information technology arrangements (SBITA's). Because these cloud-based subscription agreements were long-term in nature, the present value of all future subscription payments totaling \$265,000 was reported in the General Fund as proceeds from issuance of subscription-related debt under the provisions of GASB Statement No. 96. The subscription proceeds received were offset by an equal amount of capital outlay expended for the right-to-use subscription software.
-\$3,445,000	<p>Interfund Transfers. Transfers made from the General Fund to the capital projects funds for projects in the Capital Improvement Program increased by \$5,775,000 in Fiscal Year 2023/24. In addition, transfers into the General Fund to fund the 10% Operating Contingency and a roof maintenance project identified in the Capital Improvement Program increased by \$2,330,000 in Fiscal Year 2023/24.</p>
-\$165,000	<p>Insurance Recoveries. Insurance recoveries were higher in Fiscal Year 2022/23 due to amounts received from OCFA's excess workers' compensation policy for a case relating to the October 2020 Silverado Fire, as well as amounts received for damages incurred at Fire Station No. 22 (Laguna Hills/Laguna Woods) and Fire Station No. 57 (Aliso Viejo).</p>
+\$140,000	<p>Proceeds from Sale of Capital Assets. There was an increase in proceeds from sale of capital assets, with eighty-five capital assets sold in Fiscal Year 2023/24 as compared to only three capital assets in Fiscal Year 2022/23. Current fiscal year sales included various vehicles, sixty-four thermal imaging cameras, and two rotary vehicle hoists. Prior fiscal year sales included two forklifts and a saw.</p>
-\$21,915,000	Subtotal – Impact of Other Financing Sources and Uses
+7,975,000	General Fund – Net Impact on Fund Balance



The **Communications and Information Systems Fund** had total fund balance of \$7,646,662 at the end of Fiscal Year 2023/24. Fund balance was assigned to the Capital Improvement Program (\$7,365,731) and communications and information technologies projects (\$251,740). The remaining \$29,191 is not available for spending on any new purpose, because it is in a nonspendable form. Total fund balance increased by \$1,609,278 during the current fiscal year. The prior fiscal year's fund balance increased by \$404,045, a difference of \$1,205,233. The significant reason(s) for that net difference are identified in the following table.

Impact on Fund Balance (Rounded)	Description
+\$1,100,000	Interfund Transfers. Transfers out to the General Fund totaled \$2,000,000 during Fiscal year 2023/24, as compared to \$3,100,000 during Fiscal Year 2022/23. Current fiscal year transfers were made to partially fund a roof maintenance project identified in the Capital Improvement Program. Prior fiscal year transfers were made to fund the 10% Operating Contingency.
+\$270,000	Use of Money and Property. The portion of investment portfolio earnings and market value gain allocated to the fund increased by \$270,000.
-\$155,000	Miscellaneous Revenue. During Fiscal Year 2022/23, OCFA received \$155,000 in one-time revenues from the cities of Laguna Beach and Costa Mesa, as well as the Metro Cities Fire Authority, to fund their share of the CAD2CAD Next Generation System project that was completed and placed into service in April 2023.
-\$10,000	<p>Capital Projects. Expenditures increased by \$10,000 due to multi-year capital improvement projects, which included the following most significant projects:</p> <ul style="list-style-type: none"> ➤ 911 Voice Recording System. During Fiscal Year 2023/24, OCFA began a project to replace its 911 Voice Recording System that was originally installed in 2005. The new system will integrate with other systems and log analog, digital, and Voice Over Internet Protocol (VoIP) calls; radio traffic; text-to-911; videos; computer-aided dispatch (CAD) data and locations from geographic information systems (GIS); and RapidSOS (smartphone geolocating). Fiscal Year 2023/24 costs totaling \$345,000 included hardware, integration, and warranties. This project is expected to continue through Fiscal Year 2024/25. ➤ Data Center Fire Suppression System Upgrade. During Fiscal Year 2019/20, OCFA began a project to modify its data center fire suppression system with a "clean agent" suppressant capability. The existing system uses a pre-action water sprinkler system, while the new "clean agent" capability works by removing heat from a fire to prevent it from becoming serious enough that the water sprinklers would activate. Costs incurred during Fiscal Year 2022/23 totaled \$335,000 and included design, engineering, permits, and hardware. Costs incurred during Fiscal Year 2023/24 totaled \$25,000 for additional design and engineering services. This project is ongoing and expected to continue through Fiscal Year 2024/25.
+\$1,205,000	Communications and Information Systems Fund – Net Impact on Fund Balance



The **Fire Apparatus Fund** had total fund balance of \$28,117,467 at the end of Fiscal Year 2023/24. Amounts to be utilized for future debt service payments on the 2022 helicopter financed purchase agreement (\$899,593) were classified as restricted. Fund balance was assigned to the Capital Improvement Program (\$2,618,071) and purchase of fire apparatus and vehicles (\$24,592,995). The remaining \$6,808 is not available for spending on any new purpose, because it is in a nonspendable form. Total fund balance decreased by \$9,612,686 during the current fiscal year. The prior fiscal year's fund balance increased by \$21,160,193, a difference of \$30,772,879. The significant reason(s) for that net difference are identified in the following table.

Impact on Fund Balance (Rounded)	Description			
-\$29,135,000	Issuance of Debt and Acquisition of New Helicopters. During Fiscal Year 2022/23, OCFA issued debt to fund the acquisition of two Sikorsky Firehawk helicopters and related equipment, as well as for related training. Work to transform the helicopters from Blackhawk to Firehawk helicopters was 80% complete as of June 30, 2023. During Fiscal Year 2023/24, all remaining debt-funded training courses were completed and the helicopters were placed into service on June 21, 2024. The first annual debt service principal and interest payment was made in January 2024. Changes in financial activities reported in the Fire Apparatus Fund pertaining to the debt issuance, related expenditures, and their net impact on the change in fund balance are summarized as follows:			
		FY 2023/24	FY 2022/23	Increase (Decrease)
	Expenditures:			
	Capital outlay for helicopters (debt-funded)	\$ 11,175,000	\$ 45,535,000	\$(34,360,000)
	Debt service principal and interest	4,925,000	-	4,925,000
	Air Operations personnel training costs (services and supplies)	965,000	100,000	865,000
	Capital outlay for helicopters – cockpit radios, rescue hoist cameras, and SkyCam module (not debt-funded)	-	310,000	(310,000)
	Capital outlay for two aircraft towing tugs (not debt-funded)	180,000	-	180,000
	Debt service issuance costs	-	45,000	(45,000)
	Total expenditures	17,245,000	45,990,000	(28,745,000)
	Other financing sources:			
	Proceeds from issuance of debt	-	57,880,000	(57,880,000)
	Impact on net change in fund balance	<u>\$(17,245,000)</u>	<u>\$(11,890,000)</u>	<u>\$(29,135,000)</u>
-\$4,470,000	Apparatus and Vehicles. Expenditures to purchase and outfit vehicles vary each year based on organizational needs for new and replacement vehicles. Expenditures were higher in the current fiscal year primarily due to the purchase of three 100’ quint trucks, as compared to the purchase and outfitting of 44 pickup trucks in the prior fiscal year.			
+\$2,345,000	Interfund Transfers. Transfers in from the General Fund for projects in the Capital Improvement Program increased by \$3,775,000 as compared to the amount transferred in during the prior fiscal year. In addition, transfers out to the General Fund to fund the 10% Operating Contingency totaled \$1,430,000 during Fiscal Year 2023/24. No transfers out from this fund were made in the prior fiscal year.			
+\$1,175,000	Use of Money and Property. The portion of investment portfolio earnings and market value gain allocated to the fund increased by \$995,000. In addition, interest earned on unspent debt proceeds increased by \$180,000.			
-\$830,000	Developer Contributions. During Fiscal Year 2022/23, OCFA received a developer fee reimbursement relating to a new type 1 engine assigned to Fire Station No. 67 (Rancho Mission Viejo).			
+\$145,000	Charges for Services. Cash contract city vehicle charges increased in accordance with the terms of the Joint Powers Agreement. The annual charge is based on several factors, including the price of recent vehicle purchases and inflation, both of which increased.			
-\$30,770,000	Fire Apparatus Fund – Net Impact on Fund Balance			



The **Fire Stations and Facilities Fund** had total fund balance of \$32,401,140 at the end of Fiscal Year 2023/24. Amounts pertaining to state revenues received for future fire station construction (\$17,710,215) were classified as restricted. Other amounts were assigned to the Capital Improvement Program (\$5,379,955) and construction projects (\$9,310,970). Total fund balance decreased by \$4,725,480 during the current fiscal year. The prior fiscal year's fund balance increased by \$15,818,164, a difference of \$20,543,644. The significant reason(s) for that net difference are identified in the following table.

Impact on Fund Balance (Rounded)	Description
-\$17,030,000	Intergovernmental. During Fiscal Year 2022/23, OCFA received \$16,950,000 in one-time state funding for the construction of a new hand crew fire station. Annual contract revenue funds received for the protection of the State Responsibility Area (SRA) also decreased in Fiscal Year 2023/24 by \$80,000.
-\$5,480,000	<p>Capital Projects. Expenditures increased by \$5,480,000 due to multi-year capital improvement projects, which included the following significant projects:</p> <ul style="list-style-type: none"> ➤ Fire Station No. Station 24 (Mission Viejo) Replacement. Expenditures for the replacement of Fire Station No. Station 24 (Mission Viejo) increased by \$4,870,000. The project began in Fiscal Year 2022/23, which included costs for pre-construction and design fees, construction administration, a temporary fire station modular, and a temporary garage. During Fiscal Year 2023/24, the old fire station was demolished and crews were moved into the temporary fire station modular. Projects costs incurred during Fiscal Year 2023/24 included construction administration, design-build construction services, and various rentals and related costs for the temporary fire station. This project is expected to continue through Fiscal Year 2024/25. ➤ RFOTC Training Grounds Expansion. During Fiscal Year 2018/19, OCFA began a project to expand and update the training grounds located at the Regional Fire Operations and Training Center (RFOTC). The project includes improvements to both the existing training grounds (Phase 1) and the undeveloped "North 40" area of the property (Phase 2). Costs incurred during Fiscal Year 2022/23 were minimal while a consultant prepared a conditional use permit application for the expansion phase of the project. Construction work began during Fiscal Year 2023/24, with \$1,080,000 in costs incurred for Phase 1 for engineering services, permits, and modifications to the existing training tower, data infrastructure, and interior live fire prop. This project is ongoing and expected to continue through Fiscal Year 2024/25.
+\$1,285,000	Use of Money and Property. The portion of investment portfolio earnings and market value gain allocated to the fund increased by \$1,285,000.
+\$680,000	Developer Contributions. Contributions generated by Secured Fire Protection Agreements with developers vary each fiscal year based on housing development projects being completed throughout the county. Increases in developer activity primarily related to projects in the cities of Irvine and Dana Point that were completed in Fiscal Year 2023/24.
-\$20,545,000	Fire Stations and Facilities Fund – Net Impact on Fund Balance

General Fund Budgetary Highlights

The following table summarizes the changes in General Fund appropriations, as well as the variance between the final budget and actual amounts for Fiscal Year 2023/24.

	Original Budget	Increase (Decrease)	Final Budget	Variance Positive (Negative)	Actual Amounts
Salaries and benefits	\$415,229,076	\$25,320,849	\$440,549,925	\$(1,937,043)	\$442,486,968
Services and supplies	78,482,382	54,092,760	132,575,142	41,742,042	90,833,100
Capital outlay	3,294,130	9,333,435	12,627,565	8,571,862	4,055,703
Debt service	-	-	-	(6,262,931)	6,262,931
Transfers out	19,718,201	-	19,718,201	-	19,718,201
	<u>\$516,723,789</u>	<u>\$88,747,044</u>	<u>\$605,470,833</u>	<u>\$42,113,930</u>	<u>\$563,356,903</u>

Adjustments to Appropriations: Budgeted General Fund appropriations increased by \$88,747,044 from the time the original budget was adopted until the end of the fiscal year. Adjustments typically pertained to activities that occurred throughout the year but were either unknown or for which reliable estimates could not be determined at the time of the original budget adoption. Significant adjustments are listed below:

Reason for Adjustment to Original Budget	Increase (Decrease) (Rounded)
Quick Reaction Force (QRF) program	\$25,660,000
Various Capital Improvement Program projects	11,020,000
Grant activities	8,350,000
Overtime and backfill for response to out-of-county and other incidents	8,150,000
Employer contributions toward unfunded retiree medical liability	7,840,000
State funding for various projects and purposes	7,060,000
Fire Integrated Real-Time Intelligence System (FIRIS) program	5,000,000
Overtime for non-discretionary and other purposes	4,600,000
Employee Memorandum of Understanding changes	3,750,000
Structural Fire Entitlement projects	3,510,000
Various equipment and vehicles	2,490,000
Fuel	535,000
Various professional services	445,000
Various other appropriations	340,000
Total adjustments	\$88,750,000

Variance Between Final Budget and Actual Amounts: Final, budgeted General Fund expenditures exceeded actual amounts, resulting in a positive budget variance totaling \$42,113,930. Over \$50.3 million of this positive variance related to operating costs, projects, other purchases for services and supplies, and capital outlay that was budgeted but not completed during Fiscal Year 2023/24. In some cases, uncompleted projects were delayed due to project complexity or time requirements and will be re-budgeted, if needed, to Fiscal Year 2024/25. This is offset by negative variances for both salaries and benefits and debt service expenditures in the amounts of \$1.9 million and \$6.3 million, respectively, which both exceeded budgeted amounts during Fiscal Year 2023/24. Significant variances are summarized below:

Description of Budget/Actual Variance	Variance Positive (Negative)		
	Services and Supplies (Rounded)	Capital Outlay (Rounded)	Debt Service (Rounded)
Quick Reaction Force (QRF) Program. The Quick Reaction Force (QRF) program's \$25.7 million services and supplies budget for Fiscal Year 2023/24 covered the eighteen-month period from July 2023 through December 2024. Services and supplies expenditures totaling \$10.9 million were incurred, leaving a balance of nearly \$14.8 million as of June 30, 2024. It is anticipated that these remaining funds will be used during Fiscal Year 2024/25 through the end of the program's December 31, 2024, operational period. In addition, during Fiscal Year 2023/24, OCFA paid Coulson Aviation (USA) Inc. \$5.9 million in lease payments for aircraft used in the QRF program. Because the lease agreement was long-term in nature, those payments were not considered services and supplies but were instead reported as debt service principal and interest. The QRF program's \$25.7 million services and supplies budget was inclusive of the debt service payments.	\$14,760,000	\$ -	\$(5,910,000)
RFOTC Roof Repair and Replacement Project. In March 2024, OCFA approved a \$4.5 million budget for a new project to rebuild or replace the roofs for various buildings at the Regional Fire Operations and Training Center (RFOTC). After an internal transfer to fund overages in another capital project, \$4.3 million remains unspent as of June 30, 2024. It is anticipated that the project will begin and remaining funds will be used during Fiscal Year 2024/25.	4,300,000	-	-

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Description of Budget/Actual Variance	Variance Positive (Negative)		
	Services and Supplies (Rounded)	Capital Outlay (Rounded)	Debt Service (Rounded)
Structural Fire Fund Projects. The entire balance of funds committed for Structural Fire Fund projects was budgeted during Fiscal Year 2023/24; however, member agencies submitted reimbursement requests only for those projects completed.	3,230,000	-	-
CalFire Greenhouse Gas Reduction Activities. OCFA has received state funding passed through CALFIRE for greenhouse gas reduction activities over multiple fiscal years. The Fiscal Year 2023/24 budget for capital outlay exceeded actual expenditures by \$3.1 million. It is anticipated that remaining funds will be used as needs are identified in Fiscal Year 2024/25.	-	3,120,000	-
Invasive Tree Pest Mitigation Grant. In October 2018, OCFA was awarded a \$5.4 million state grant passed through CALFIRE for invasive tree pest mitigation. The grant award's performance period is December 2018 through March 2025. A budget balance of nearly \$2.8 million remains unspent on services and supplies as of June 30, 2024. Contracts have been awarded for \$265,000 of the unspent balance. It is anticipated that the remaining funds will be used during Fiscal Year 2024/25 and through the end of the grant's award period.	2,770,000	-	-
Phone/Public Address System Upgrade. OCFA is replacing its telephone system with a new Voice over Internet Protocol (VoIP) system. The multi-year project's Fiscal Year 2023/24 capital outlay budget totaled \$2.4 million. Capital outlay expenditures totaling \$320,000 were incurred through June 30, 2024, leaving a balance of \$2.1 million as of June 30, 2024. It is anticipated that remaining funds will be used as the project continues during Fiscal Year 2024/25.	-	2,100,000	(210,000)
CalFire Augmentation for Upstaffing and Special Projects. OCFA has received various state funding passed through CALFIRE to augment upstaffing needs and other special projects over multiple fiscal years. The Fiscal Year 2023/24 budget exceeded actual expenditures by nearly \$1.4 million for combined services and supplies and capital outlay. It is anticipated that remaining funds will be used as needs are identified in Fiscal Year 2024/25.	(770,000)	2,150,000	-
Helicopter Program. The Fiscal Year 2023/24 services and supplies budget for the Helicopter Program totaled \$3.1 million. Services and supplies expenditures totaling \$1.1 million were incurred through June 30, 2024, leaving a balance of \$2.0 million as of June 30, 2024. The majority of the budgetary savings relates to a maintenance and parts replacement contract and an engine warranty for two new Firehawk helicopters. Those services were budgeted at \$1.7 million for an anticipated nine-month period; however, no expenditures were incurred since the Firehawks were delayed and placed into service in late June 2024.	2,050,000	-	-
800 MHz Radios. During FY 2023/24, OCFA budgeted \$2.1 million for new all-band mobile and portable radios to be installed in new OCFA apparatus, and for use in training, academies, and supplying equipment caches. A budget balance of nearly \$2.0 million remains unspent on services and supplies as of June 30, 2024. It is anticipated that the remaining funds will be used during Fiscal Year 2024/25.	1,960,000	-	-
Irvine Settlement Agreement. OCFA and the City of Irvine entered into a Settlement Agreement with provisions that enhance services throughout OCFA's jurisdiction. All projects identified in the agreement were budgeted during Fiscal Year 2023/24 at the maximum potential amount per the agreement. However, the city did not submit any reimbursement requests for the Joint Police-Fire Training Facility or bi-directional amplifiers.	1,540,000	-	-

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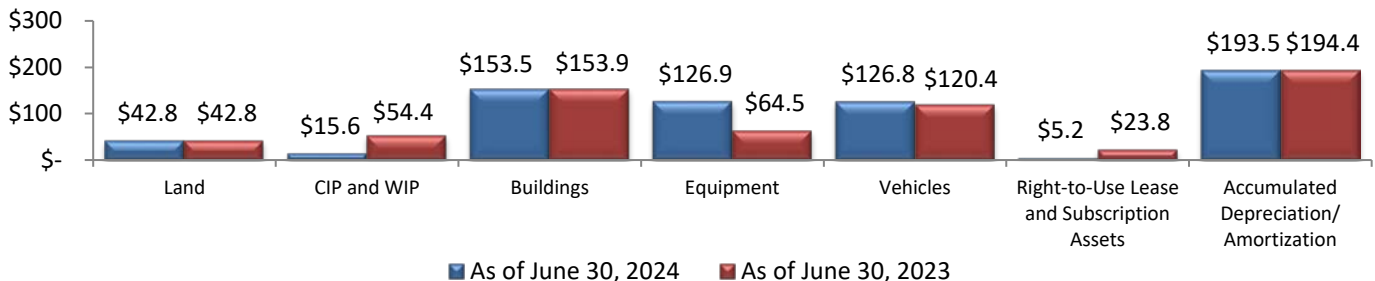
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Description of Budget/Actual Variance	Variance Positive (Negative)		
	Services and Supplies (Rounded)	Capital Outlay (Rounded)	Debt Service (Rounded)
Bathroom Gender Accommodation and Inclusive Facilities Project. During Fiscal Year 2019/20, OCFA began a multi-year bathroom gender accommodation and inclusive facilities project at various fire stations. Of the \$2.9 million budgeted in Fiscal Year 2023/24, a balance of \$1.3 million remains unspent as of June 30, 2024. Contracts have been awarded for \$585,000 of the unspent balance. The project is ongoing and it is anticipated that the remaining funds will be used until the project is completed during Fiscal Year 2026/27.	1,350,000	-	-
Fire Station Alarm System Upgrades. OCFA is upgrading and replacing legacy fire station alerting systems at all OCFA fire stations with the Westnet fire station digital electronic alerting technology, known as the SmartStation. All OCFA fire stations are being upgraded at a rate of three to five stations per year over a fifteen-year period. The cost per fire station varies depending on the size of the fire station, number of crew, and apparatus that are deployed. Of the \$3.9 million budgeted in Fiscal Year 2023/24, a balance of \$1.2 million remains unspent as of June 30, 2024. Contracts have been awarded for \$320,000 of the unspent balance. It is anticipated that the remaining budgeted funds will be used to perform standardized retrofitting of the SmartStation installation at fire stations that were completed during early phases of the project.	1,190,000	-	-
Workers' Compensation Claims Paid. The amount budgeted for workers' compensation is based on an actuarially-determined estimate. Actual case activity typically occurs over multiple years, which attributes to a difference between budgeted costs and actual expenditures during any given fiscal year. During Fiscal Year 2023/24, claims paid from the General Fund were less than the actuarial estimate, creating a positive budget variance.	1,150,000	-	-
Other variances combined	8,210,000	1,200,000	(140,000)
Total	\$41,740,000	\$8,570,000	\$(6,260,000)

Capital Assets and Debt Administration

Capital Assets: OCFA's net investment in capital assets for its government activities at the end of Fiscal Year 2023/24 totaled \$205,581,885 (net of accumulated depreciation, amortization, and related outstanding debt). Capital assets, net of accumulated depreciation and amortization, increased from the prior fiscal year by \$11,902,431 (4.5%). Following is a summary of capital assets by type for the current and prior fiscal years.

Capital Assets and Accumulated Depreciation/Amortization
As of June 30, 2024 and 2023
(In Millions)



Construction in Progress (CIP) and Work in Progress (WIP): Construction projects completed over the span of multiple fiscal years are classified as CIP at year-end if they are not yet completed and placed into service. Fire engines, trucks, and other vehicles are classified as WIP at year-end if they are in the process of being outfitted for operation and will be completed over the span of multiple fiscal years. WIP also includes multi-year communications and information systems projects.

- CIP additions totaling \$7.4 million during Fiscal Year 2023/24 primarily related to the design and construction of new Fire Station No. 24 (Mission Viejo) and the expansion of the Regional Fire Operations and Training Center (RFOTC) training ground and “North 40” areas. Both CIP projects remained in progress as of June 30, 2024.
- WIP additions totaling \$13.9 million during Fiscal Year 2023/24 primarily related to the construction of two new Sikorsky Firehawk helicopters and the Orion Phase 1 Integrated Fire Prevention (IFP) software system, both of which were completed and placed into service as of June 30, 2024. Other significant WIP projects included an incident reporting system, EMS data analytics software, a 911 voice recording system, a phone/public address system upgrade, one medication dispensing station, and various fire apparatus, trailers, and pickup trucks in the process of being outfitted for operation. As of June 30, 2024, three individual WIP projects were placed into service and sixty were still in progress.

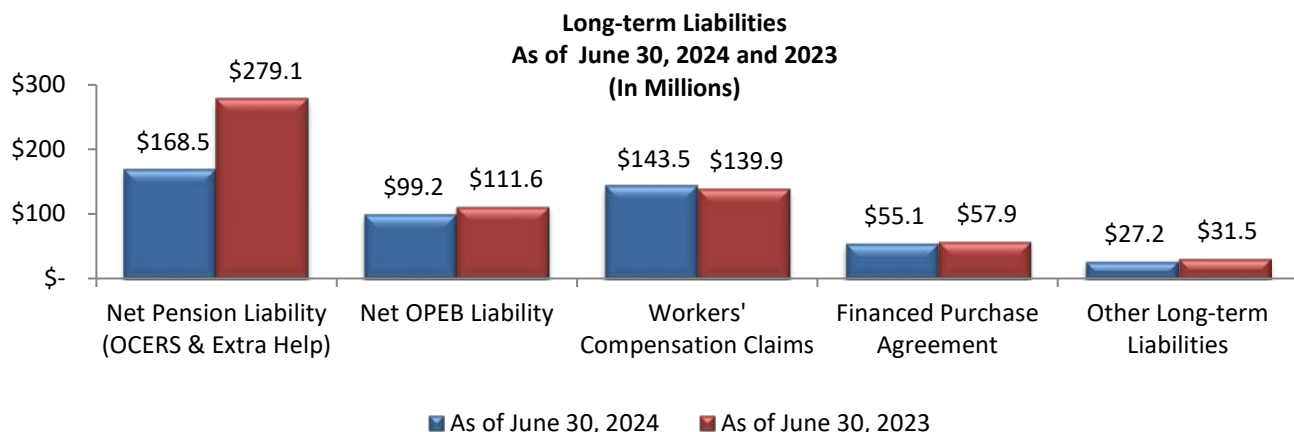
Equipment: Equipment additions totaled \$63.1 million for 278 items placed into service during Fiscal Year 2023/24. The most significant additions included two Sikorsky Firehawk helicopters (\$57.0 million); Orion Phase 1 Integrated Fire Prevention (IFP) software system (\$2.6 million); 140 mobile 800 MHz radios (\$1.3 million); various hazardous materials equipment (\$370,000); twenty automated chest compression devices (\$350,000); and nine medication dispensing stations (\$185,000). Equipment deletions during Fiscal Year 2023/24 totaled \$660,000 and included sixty-four thermal imaging cameras (\$570,000).

Vehicles: Vehicle additions totaled \$7.2 million for 32 items purchased and placed into service during Fiscal Year 2023/24. The most significant additions included three 100’ quint trucks (\$4.8 million); eighteen pickup trucks (\$650,000); one fuel tender (\$510,000); four vans (\$425,000); and one water tender (\$320,000). Sixteen vehicles were removed from the vehicle fleet during Fiscal Year 2023/24 as part of OCFA’s ongoing vehicle replacement plan. One vehicle was in an accident and deemed a total loss by OCFA’s insurance provider. The remaining vehicles were sold at public auction.

Right-to-Use Lease and Subscription Assets: Right-to-use lease equipment deletions totaling \$18.9 million during Fiscal Year 2023/24 primarily related to a long-term lease agreement with Coulson Aviation (USA) Inc. for the right-to-use various aircraft in the Quick Reaction Force (QRF) Program. The lease expired in December 2023.

Additional information pertaining to OCFA’s capital assets can be found in Note 9 of the accompanying Notes to the Financial Statements.

Long-term Debt: Total long-term liabilities decreased by net \$126,435,604 (20.4%) during Fiscal Year 2023/24.



The most significant change to long-term liabilities pertained to the net pension liability for the Orange County Employees Retirement System (OCERS) pension plan. As of June 30, 2023, OCFA’s share of the plan’s net pension liability at OCERS, as determined by an actuarial valuation for the plan as a whole, was reported as a *liability* in the amount of \$279,060,590. As of June 30, 2024, OCFA’s share

of the OCERS net pension liability was reported as a *liability* in the amount of \$168,457,678, which was a net \$110.6 million decrease from to the prior fiscal year.

The increases and decreases reported for the long-term pension liability are reported using an “accounting-based approach” to fully capture OCFA’s net liability and related pension expense incurred during each fiscal year. This differs from the “funding-based approach” used to calculate annual retirement rates and the amount of required employer and employee contributions due from OCFA to OCERS. The net pension liability (asset) represents the amount of the total pension liability greater than (less than) the market value of assets as of June 30. The following table summarizes the changes in the components of the OCERS net pension liability from June 30, 2024 to June 30, 2023.

Component of OCERS Net Pension Liability (Asset)	As of June 30, 2024	As of June 30, 2023	Increase (Decrease)	
			Amount	%
Safety:				
Total pension liability	\$2,331,757,083	\$2,203,048,540	\$ 128,708,543	5.8%
Market value of assets	<u>2,191,038,173</u>	<u>1,961,543,596</u>	<u>229,494,577</u>	11.7%
Net pension liability - safety	<u>\$ 140,718,910</u>	<u>\$ 241,504,944</u>	<u>\$(100,786,034)</u>	-41.7%
General:				
Total pension liability	\$ 335,411,461	\$ 315,901,347	\$ 19,510,114	6.2%
Market value of assets	<u>307,672,693</u>	<u>278,345,701</u>	<u>29,326,992</u>	10.5%
Net pension liability - general	<u>\$ 27,738,768</u>	<u>\$ 37,555,646</u>	<u>\$ (9,816,878)</u>	-26.1%
Total:				
Total pension liability	\$ 2,667,168,544	\$ 2,518,949,887	\$ 148,218,657	5.9%
Market value of assets	<u>2,498,710,866</u>	<u>2,239,889,297</u>	<u>258,821,569</u>	11.6%
Net pension liability - total	<u>\$ 168,457,678</u>	<u>\$ 279,060,590</u>	<u>\$(110,602,912)</u>	-39.6%

Additional information on the OCFA’s long-term liabilities can be found in Note 17 of the accompanying Notes to the Financial Statements.

Next Year’s Budget

The Fiscal Year 2024/25 General Operating Fund adopted expenditure budget is \$494.3 million, which is a net increase of \$21.0 million (4.4%) over the adopted Fiscal Year 2023/24 General Operating Fund expenditure budget totaling \$473.3 million. Highlights of the Fiscal Year 2024/25 General Operating Fund Budget are as follow:

- Budgeted salaries increased by \$14.7 million. The budget includes funding for twenty-one new positions and reflects salary increases in accordance with approved Memorandums of Understanding (MOU) with all labor groups. The budget also reflects increases for overtime usage, which has been trending higher in recent years, and decreases for salary savings due to projected vacancies.
- Budgeted retirement and other benefits increased by \$1.9 million. The retirement budget for Fiscal Year 2024/25 is based on rates provided by the Orange County Employees Retirement System (OCERS), which were approximately 0.08% lower for safety personnel and 0.90% higher for general personnel as compared to the prior fiscal year. Budgets for retirement, insurance, and workers’ compensation also reflect cost-of-living increases for all bargaining units; anticipated retirement savings due to vacant positions; savings for prepayment OCERS retirement contributions; rising healthcare costs; and decreasing actuarial-based contributions for workers’ compensation.
- Budgeted services and supplies and capital outlay increased by \$4.4 million. Overall, budgets are held flat as compared to the prior fiscal year, unless a new fire station is built or specific increases have been identified by OCFA management on a case-by-case basis. The most significant budget increases relate to interfund borrowing costs; apparatus outfitting equipment, chaplain stipends, and sand; fuel; utilities; and leadership training, Federal Aviation Administration (FAA) training, and outreach and recruitment conferences and events.

Requests for Information

This financial report is designed to provide a general overview of OCFA's and the OCFA Foundation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Division Manager, Orange County Fire Authority, 1 Fire Authority Road, Irvine, California 92602.

Government-wide Financial Statements



Urban Search & Rescue Training
October 26, 2023

ORANGE COUNTY FIRE AUTHORITY
Statement of Net Position
June 30, 2024
(With Comparative Data for Prior Year)

	Primary Government		Component Unit	
	Governmental Activities		OCFA Foundation	
	2024	2023	2024	2023
Assets:				
Cash and investments (Note 4)	\$ 296,835,687	\$ 251,752,836	\$ 311,508	\$ 328,218
Accounts receivable, net (Note 5)	5,600,064	2,539,433	-	-
Accrued interest receivable	918,451	565,817	-	-
Prepaid costs and other assets (Note 6)	20,403,487	18,521,015	-	-
Due from other governments (Note 7)	26,851,610	37,081,429	-	-
Restricted cash and investments (Note 4)	19,178,391	19,896,244	-	-
Lease receivables (Note 8)	853,501	895,177	-	-
Capital assets (Note 9):				
Land	42,757,850	42,757,850	-	-
Construction in progress	9,629,795	2,277,371	-	-
Work in progress	5,965,913	52,080,439	-	-
Capital assets, net of accumulated depreciation/amortization	218,878,660	168,214,127	10,319	11,118
Total assets	647,873,409	596,581,738	321,827	339,336
Deferred outflows of resources:				
Related to pensions/OPEB (Note 23)	187,213,338	268,112,178	-	-
Total deferred outflows of resources	187,213,338	268,112,178	-	-
Liabilities:				
Accounts payable	20,119,802	9,089,074	8,000	21,542
Accrued liabilities	20,181,210	15,382,108	-	-
Accrued interest payable	812,699	1,191,326	-	-
Unearned revenue (Note 10)	10,421,359	9,378,655	5,130	14,850
Due to other governments	5,029	5,029	-	-
Long-term debt obligations due within one year (Note 17)	3,195,458	2,770,492	-	-
Compensated absences due within one year (Note 17)	5,105,273	4,730,160	-	-
Claims and judgments due within one year (Note 17)	18,437,646	16,558,042	-	-
Lease liabilities due within one year (Note 17)	27,973	5,886,589	-	-
Subscription liabilities due within one year (Note 17)	18,213	-	-	-
Noncurrent liabilities due in more than one year (Note 17):				
Long-term debt obligations due in more than one year	51,916,170	55,111,628	-	-
Compensated absences due in more than one year	17,160,499	16,019,187	-	-
Claims and judgments due in more than one year	125,103,409	123,349,172	-	-
Lease liabilities due in more than one year	4,819,199	4,847,718	-	-
Subscription liabilities due in more than one year	19,025	-	-	-
Net OPEB liability	99,237,607	111,599,764	-	-
Net pension liability	168,457,941	279,061,265	-	-
Total liabilities	545,038,512	654,980,209	13,130	36,392
Deferred inflows of resources:				
Related to leases (Note 8)	774,231	839,179	-	-
Related to pensions/OPEB (Note 23)	80,137,675	146,477,623	-	-
Total deferred inflows of resources	80,911,906	147,316,802	-	-
Net position:				
Net investment in capital assets (Note 9b)	205,581,885	208,153,667	10,319	11,118
Restricted for capital projects	17,983,252	17,848,297	-	-
Restricted for augmentation and upstaffing activities	755,583	1,581,979	-	-
Restricted for greenhouse gas reduction activities	3,688,609	3,123,572	-	-
Restricted for Section 115 pension trust	9,733,459	7,316,140	-	-
Restricted for grants, donations, and other programs	-	-	74,215	92,629
Unrestricted	(28,606,459)	(175,626,750)	224,163	199,197
Total net position	\$ 209,136,329	\$ 62,396,905	\$ 308,697	\$ 302,944

See Notes to the Financial Statements

ORANGE COUNTY FIRE AUTHORITY
Statement of Activities
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	Primary Government		Component Unit	
	Governmental Activities		OCFA Foundation	
	2024	2023	2024	2023
Expenses:				
Public safety:				
Salaries and benefits	\$ 336,724,804	\$ 346,185,496	\$ -	\$ -
Services and supplies	96,221,088	100,752,172	163,831	229,516
Depreciation and amortization (Note 9c)	19,734,587	25,712,134	799	799
Interest on long-term debt	1,920,719	1,661,133	-	-
Total program expenses	<u>454,601,198</u>	<u>474,310,935</u>	<u>164,630</u>	<u>230,315</u>
Program revenues:				
Public safety:				
Charges for services	188,438,426	173,110,122	-	-
Operating grants and contributions	47,156,686	52,676,947	170,383	189,805
Capital grants and contributions	1,753,932	18,576,840	-	-
Total program revenues	<u>237,349,044</u>	<u>244,363,909</u>	<u>170,383</u>	<u>189,805</u>
Net program (expenses) revenues	<u>(217,252,154)</u>	<u>(229,947,026)</u>	<u>5,753</u>	<u>(40,510)</u>
General revenues:				
Property taxes	340,988,284	326,138,528	-	-
Investment income (loss)	14,812,211	5,388,518	-	-
Miscellaneous	8,191,083	7,623,310	-	-
Total general revenues	<u>363,991,578</u>	<u>339,150,356</u>	<u>-</u>	<u>-</u>
Change in net position	<u>146,739,424</u>	<u>109,203,330</u>	<u>5,753</u>	<u>(40,510)</u>
Net position at beginning of year	62,396,905	(46,806,425)	302,944	343,454
Net position at end of year	<u>\$ 209,136,329</u>	<u>\$ 62,396,905</u>	<u>\$ 308,697</u>	<u>\$ 302,944</u>

See Notes to the Financial Statements

Fund Financial Statements



Tustin Hangar Fire
November 7, 2023

ORANGE COUNTY FIRE AUTHORITY
Governmental Funds
Balance Sheet
June 30, 2024
(With Comparative Data for Prior Year)

	Capital Projects Funds				Total Governmental Funds	
	General Fund	Communications and Information Systems	Fire Apparatus	Fire Stations and Facilities	2024	2023
Assets:						
Cash and investments	\$ 226,801,714	\$ 7,878,803	\$ 27,414,263	\$ 34,740,907	\$ 296,835,687	\$ 251,752,836
Accounts receivable, net (Note 5)	5,586,103	13,961	-	-	5,600,064	2,539,433
Accrued interest receivable	652,296	33,578	105,268	127,309	918,451	565,817
Prepaid costs and other assets (Note 6)	35,572,488	29,191	6,808	-	35,608,487	32,598,015
Due from other governments (Note 7)	26,794,973	-	34,908	21,729	26,851,610	37,081,429
Restricted cash and investments	9,735,584	-	9,442,807	-	19,178,391	19,896,244
Lease receivables (Note 8)	853,501	-	-	-	853,501	895,177
Total assets	\$ 305,996,659	\$ 7,955,533	\$ 37,004,054	\$ 34,889,945	\$ 385,846,191	\$ 345,328,951
Liabilities:						
Accounts payable	\$ 8,435,539	\$ 308,871	\$ 8,886,587	\$ 2,488,805	\$ 20,119,802	\$ 9,089,074
Accrued liabilities	20,181,210	-	-	-	20,181,210	15,382,108
Unearned revenue (Note 10)	10,421,359	-	-	-	10,421,359	9,378,655
Due to other governments	5,029	-	-	-	5,029	5,029
Total liabilities	39,043,137	308,871	8,886,587	2,488,805	50,727,400	33,854,866
Deferred inflows of resources:						
Unavailable revenue (Note 10)	568,110	-	-	-	568,110	681,733
Related to leases (Note 8)	774,231	-	-	-	774,231	839,179
Total deferred inflows of resources	1,342,341	-	-	-	1,342,341	1,520,912
Fund balances:						
Nonspendable prepaid costs (Note 6)	35,493,078	29,191	6,808	-	35,529,077	32,568,471
Restricted (Note 11):						
Capital improvement program	-	-	-	17,710,215	17,710,215	30,171,716
Debt service	-	-	899,593	-	899,593	-
Various departments	4,717,229	-	-	-	4,717,229	4,728,588
Section 115 pension trust	9,733,459	-	-	-	9,733,459	7,316,140
Committed to SFF cities (Note 12)	3,423,205	-	-	-	3,423,205	3,519,541
Assigned (Note 13):						
Capital improvement program	12,089,724	7,365,731	2,618,071	5,379,955	27,453,481	22,262,329
Workers' compensation	164,780,297	-	-	-	164,780,297	143,334,044
Various departments	1,195,762	-	-	-	1,195,762	1,849,756
Facilities projects	42,150	-	-	-	42,150	232,727
Communications/IT projects	1,745,920	251,740	-	-	1,997,660	2,539,727
Fire apparatus and vehicles	-	-	24,592,995	-	24,592,995	20,178,582
Construction projects	875,021	-	-	9,310,970	10,185,991	14,526,318
Unassigned (Note 14)	31,515,336	-	-	-	31,515,336	26,725,234
Total fund balances	265,611,181	7,646,662	28,117,467	32,401,140	333,776,450	309,953,173
Total liabilities, deferred inflows of resources, and fund balances	\$ 305,996,659	\$ 7,955,533	\$ 37,004,054	\$ 34,889,945	\$ 385,846,191	\$ 345,328,951

See Notes to the Financial Statements

ORANGE COUNTY FIRE AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024
(With Comparative Data for Prior Year)

	2024	2023
Fund balances of governmental funds	\$ 333,776,450	\$ 309,953,173
<u>Capital Assets</u>		
The cost of capital assets used in governmental activities are recorded as expenditures in governmental funds when purchased. The Statement of Net Position includes those capital assets among the assets of OCFA as a whole, net of accumulated depreciation/amortization.		
Land, construction in progress, work in progress, buildings, equipment, and vehicles:		
Capital assets	465,497,130	435,913,896
Accumulated depreciation/amortization	(192,919,374)	(181,373,749)
Right-to-use lease assets:		
Capital assets	4,931,200	23,816,990
Accumulated amortization	(513,934)	(13,027,350)
Right-to-use subscription assets:		
Capital assets	268,002	-
Accumulated amortization	(30,806)	-
<u>Long-term Liabilities</u>		
Long-term liabilities applicable to governmental activities are not due and payable in the current period and are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
OCERS pension plan:		
Net pension liability	(168,457,678)	(279,060,590)
Pension contributions	(15,205,000)	(14,077,000)
Deferred outflows of resources	148,742,016	228,140,263
Deferred inflows of resources	(32,700,524)	(51,603,321)
Extra Help pension plan:		
Net pension liability	(263)	(675)
Deferred outflows of resources	560	1,051
Other postemployment benefits (OPEB):		
Net OPEB liability	(99,237,607)	(111,599,764)
Deferred outflows of resources	38,470,762	39,970,864
Deferred inflows of resources	(47,437,151)	(94,874,302)
Financed purchase agreement	(55,111,628)	(57,882,120)
Accrued claims and judgments	(143,541,055)	(139,907,214)
Compensated absences	(22,265,772)	(20,749,347)
Lease liabilities	(4,847,172)	(10,734,307)
Subscription liabilities	(37,238)	-
<u>Accrued Interest</u>		
Accrued interest for the current portion due on long-term liabilities has not been reported in the governmental funds, but has been calculated and reported in the Statement of Net Position.	(812,699)	(1,191,326)
<u>Unavailable Revenues</u>		
Unavailable revenues are reported in the governmental funds if not collected or expected to be collected within OCFA's availability period. Amounts relating to unavailable revenues are not reported in the Statement of Net Position since revenue recognition is not based upon measurable and available criteria.		
Due from other governments - Garden Grove start-up costs	568,110	681,733
Net position of governmental activities	<u>\$ 209,136,329</u>	<u>\$ 62,396,905</u>

See Notes to the Financial Statements

ORANGE COUNTY FIRE AUTHORITY
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2024
(With Comparative Data for Prior Year)

		Capital Projects Funds			Total Governmental Funds	
		Communications and Information Systems	Fire Apparatus	Fire Stations and Facilities	2024	2023
	General Fund					
Revenues:						
Taxes	\$340,988,284	\$ -	\$ -	\$ -	\$340,988,284	\$326,138,528
Intergovernmental	59,333,496	-	-	137,857	59,471,353	76,482,399
Charges for services	158,348,448	-	1,893,746	-	160,242,194	150,519,860
Use of money and property	10,454,853	445,900	2,047,526	1,863,932	14,812,211	5,388,518
Miscellaneous	24,874,921	-	-	-	24,874,921	23,827,236
Developer contributions	-	-	-	901,800	901,800	1,051,583
Total revenues	<u>594,000,002</u>	<u>445,900</u>	<u>3,941,272</u>	<u>2,903,589</u>	<u>601,290,763</u>	<u>583,408,124</u>
Expenditures:						
Current - public safety:						
Salaries and benefits	442,486,968	-	-	-	442,486,968	420,178,243
Services and supplies	90,833,100	100,423	1,002,903	276,645	92,213,071	88,386,119
Capital outlay	4,055,703	1,236,199	19,412,502	7,352,424	32,056,828	72,330,715
Debt service:						
Principal retirement	6,117,899	-	2,770,492	-	8,888,391	12,871,462
Interest and fiscal charges	145,032	-	2,154,314	-	2,299,346	469,807
Issuance costs	-	-	-	-	-	43,092
Total expenditures	<u>543,638,702</u>	<u>1,336,622</u>	<u>25,340,211</u>	<u>7,629,069</u>	<u>577,944,604</u>	<u>594,279,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,361,300</u>	<u>(890,722)</u>	<u>(21,398,939)</u>	<u>(4,725,480)</u>	<u>23,346,159</u>	<u>(10,871,314)</u>
Other financing sources (uses):						
Transfers in (Note 16)	5,431,948	4,500,000	13,218,201	2,000,000	25,150,149	17,039,829
Transfers out (Note 16)	(19,718,201)	(2,000,000)	(1,431,948)	(2,000,000)	(25,150,149)	(17,039,829)
Issuance of financed purchase agreement (Note 22)	-	-	-	-	-	57,882,120
Issuance of leases and subscriptions (Notes 20 & 21)	268,002	-	-	-	268,002	18,711,118
Sale of capital assets	141,528	-	-	-	141,528	2,730
Insurance recoveries	67,588	-	-	-	67,588	234,163
Total other financing sources (uses)	<u>(13,809,135)</u>	<u>2,500,000</u>	<u>11,786,253</u>	<u>-</u>	<u>477,118</u>	<u>76,830,131</u>
Net change in fund balances	36,552,165	1,609,278	(9,612,686)	(4,725,480)	23,823,277	65,958,817
Fund balances, beginning of year	229,059,016	6,037,384	37,730,153	37,126,620	309,953,173	243,994,356
Fund balances, end of year	<u>\$265,611,181</u>	<u>\$ 7,646,662</u>	<u>\$28,117,467</u>	<u>\$32,401,140</u>	<u>\$333,776,450</u>	<u>\$309,953,173</u>

See Notes to the Financial Statements

ORANGE COUNTY FIRE AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	<u>2024</u>	<u>2023</u>
Net change in fund balances - total governmental funds	\$ 23,823,277	\$ 65,958,817

Capital Assets

Governmental funds report capital outlays as expenditures. The cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense in the Statement of Activities.

Capital outlay	32,056,828	72,330,715
Depreciation/amortization expense	(19,734,587)	(25,712,134)

Capital assets received through grant or donation are recognized as revenue in the Statement of Activities at their estimated acquisition value at time of receipt.

From developers, grantors, and donors	105,232	-
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Governmental funds report proceeds from disposal of capital assets as other financing sources. In the Statement of Activities, those proceeds are offset by the net book value of the assets, resulting in a gain or loss on the disposal.

Proceeds from disposal of capital assets	(150,866)	(17,129)
Gain (loss) on disposal of capital assets	(374,176)	(249,107)

Long-term Liabilities

Proceeds from issuing long-term debt or entering into new lease or subscription agreements are recorded as other financing sources in the governmental funds. In the government-wide financial statements, these amounts increase the outstanding balance of long-term liabilities.

Issuance of debt - financed purchase agreement	-	(57,882,120)
New lease agreements	-	(18,711,118)
New subscription agreements	(268,002)	-

Repayment of principal on long-term debt, lease agreements, and subscription agreements is reported as an expenditure in governmental funds. Principal payments reduce long-term liabilities in the Statement of Net Position.

Principal payments - financed purchase agreement	2,770,492	-
Principal payments - helicopter tower lease agreement	21,224	20,546
Principal payments - Fullerton Airport land lease agreement	4,428	1,281
Principal payments - Coulson aircraft lease agreement	5,861,483	12,849,635
Principal payments - Enterprise On-Premises Calling	153,101	-
Principal payments - CUBE Enhanced Trunk Session	57,663	-
Principal payments - Secure Link VPAM	20,000	-

(Continued on next page)

ORANGE COUNTY FIRE AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	<u>2024</u>	<u>2023</u>
<i>(Continued)</i>		
<u>Long-term Liabilities, (continued)</u>		
Other long-term liabilities are reported in the Statement of Net Position. The net annual change in the liability is recognized as an expense in the Statement of Activities. Long-term liabilities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.		
OCERS pension plan	48,979,462	24,037,613
Extra Help pension plan	(79)	48,472
Other postemployment benefits (OPEB)	58,299,206	50,414,409
Accrued claims and judgments - workers' compensation	(3,633,841)	(12,073,854)
Compensated absences - other leave balances	(1,516,425)	(507,747)
<u>Accrued Interest</u>		
Interest expenditures are reported when paid in the governmental funds, while the net change in accrued interest incurred for the period is recognized as interest expense in the Statement of Activities.		
	378,627	(1,191,326)
<u>Unavailable Revenues</u>		
Certain receivables that have been accrued but not collected are reflected as unavailable revenue in the governmental funds. All earned revenue is recognized in the Statement of Activities regardless of when collected.		
Charges for services - Garden Grove start-up costs	(113,623)	(113,623)
<u>Interfund Transactions</u>		
Transactions between governmental funds are eliminated for presentation in the government-wide financial statements.		
Transfers in	(25,150,149)	(17,039,829)
Transfers out	25,150,149	17,039,829
Change in net position of governmental activities	<u>\$ 146,739,424</u>	<u>\$ 109,203,330</u>

ORANGE COUNTY FIRE AUTHORITY
General Fund
Budgetary Comparison Statement
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	2024			2023
	Budget Amounts		Variance with Final Budget	
	Original	Final	Positive (Negative)	Actual Amounts
Budgetary fund balance, July 1	\$ 229,059,016	\$ 229,059,016	\$ -	\$ 200,482,601
Resources (inflows):				
Taxes	335,252,563	342,377,345	(1,389,061)	326,138,528
Intergovernmental	37,612,103	69,158,058	(9,824,562)	59,312,256
Charges for services	154,363,292	153,630,357	4,718,091	148,770,572
Use of money and property	6,129,704	5,680,481	4,774,372	3,767,140
Miscellaneous	1,270,000	34,902,605	(10,027,684)	23,670,734
Transfers in	-	5,431,948	-	3,097,603
Issuance of leases and subscriptions	-	-	268,002	18,711,118
Sale of capital assets	35,000	85,000	56,528	2,730
Insurance recoveries	-	57,500	10,088	234,163
Total resources (inflows)	534,662,662	611,323,294	(11,414,226)	583,704,844
Amounts available for appropriations	763,721,678	840,382,310	(11,414,226)	784,187,445
Charges to appropriation (outflows):				
Salaries and benefits	415,229,076	440,549,925	(1,937,043)	420,178,243
Services and supplies	78,482,382	132,575,142	41,742,042	87,260,691
Capital outlay	3,294,130	12,627,565	8,571,862	20,406,000
Principal retirement	-	-	(6,117,899)	12,871,462
Interest and fiscal charges	-	-	(145,032)	469,807
Transfers out	19,718,201	19,718,201	-	13,942,226
Total charges to appropriations	516,723,789	605,470,833	42,113,930	555,128,429
Budgetary fund balance, June 30	\$ 246,997,889	\$ 234,911,477	\$ 30,699,704	\$ 229,059,016

See Notes to the Financial Statements

ORANGE COUNTY FIRE AUTHORITY
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2024
(With Comparative Data for Prior Year)

	Pension and Other Employee Benefit Trust Funds	
	2024	2023
Assets:		
Cash and investments (Note 4):		
Local Agency Investment Fund:		
Domestic fixed income	\$ 19,498	\$ 18,558
Pooled amounts held in trust with OCERS	78,177,194	52,013,173
Total cash and investments	78,196,692	52,031,731
Receivables:		
Other receivables	31,337	19,889
Total assets	78,228,029	52,051,620
Liabilities:		
Accrued liabilities	828,059	1,019,027
Total liabilities	828,059	1,019,027
Net position restricted for:		
Pensions	19,498	18,558
Postemployment benefits other than pensions	77,380,472	51,014,035
Total net position	\$ 77,399,970	\$ 51,032,593

ORANGE COUNTY FIRE AUTHORITY
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	Pension and Other Employee Benefit Trust Funds	
	2024	2023
Additions:		
Contributions:		
Employer	\$ 26,259,896	\$ 3,239,308
Plan members	1,458,412	1,628,619
Total contributions	27,718,308	4,867,927
Net investment income:		
Total investment income	7,905,798	(4,303,560)
Investment fees and expenses	(603,248)	(378,398)
Total net investment income	7,302,550	(4,681,958)
Total additions	35,020,858	185,969
Deductions:		
Benefits and refunds paid to plan members and beneficiaries	8,629,841	8,626,156
Administrative expenses	23,640	23,640
Total deductions	8,653,481	8,649,796
Change in net position	26,367,377	(8,463,827)
Net position, beginning of year	51,032,593	59,496,420
Net position, end of year	\$ 77,399,970	\$ 51,032,593

See Notes to the Financial Statements

Notes to the Financial Statements



Firefighter Academy 58 Graduation
December 13, 2023

ORANGE COUNTY FIRE AUTHORITY
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Year ended June 30, 2024

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Orange County Fire Authority



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ORANGE COUNTY FIRE AUTHORITY
Notes to the Financial Statements
Year ended June 30, 2024

(1) Summary of Significant Accounting Policies

(a) Description of the Reporting Entity

Effective March 1, 1995, the County of Orange (County) and the cities of Buena Park, Cypress, Dana Point, Irvine, Laguna Hills, Laguna Niguel, Lake Forest, La Palma, Los Alamitos, Mission Viejo, Placentia, San Clemente, San Juan Capistrano, Seal Beach, Stanton, Tustin, Villa Park, and Yorba Linda entered into a Joint Powers Agreement (JPA) to create the Orange County Fire Authority (OCFA). Since the creation of the OCFA, the cities of Aliso Viejo, Garden Grove, Laguna Woods, Rancho Santa Margarita, Santa Ana, and Westminster have also joined as members. The City of Placentia withdrew its membership from OCFA effective July 1, 2020. The purpose of OCFA is to provide fire protection, prevention, suppression, and related and incidental services including, but not limited to, emergency medical and transport services and hazardous materials regulation, as well as providing facilities and personnel for such services. OCFA's governing board consists of one representative from each member city and two from the County.

OCFA's operations are funded with a portion of property taxes collected by the County (Structural Fire Fund) for the unincorporated area and on behalf of all member cities except for the cities of Buena Park, Garden Grove, San Clemente, Santa Ana, Seal Beach, Stanton, Tustin, and Westminster, which are considered cash contract cities. The County pays all Structural Fire Fund taxes it collects to OCFA. Cash contract cities make cash contributions based on OCFA's annual budget. Upon dissolution, all surplus money and property of OCFA will be conveyed or distributed to each member in proportion to all funds provided to OCFA by that member or by the County on behalf of that member during its membership. Each member must execute any instruments of conveyance necessary to effectuate such distribution or transfer.

As required by generally accepted accounting principles, these financial statements present OCFA as the primary government, as well as any of its component units. A component unit is an entity for which a primary government entity is considered financially accountable.

- The primary government is considered financially accountable for an organization if it appoints a voting majority of that organization's governing body, and (1) if the primary government is able to impose its will on that organization or (2) there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
- The primary government may also be considered financially accountable for an organization if that organization is fiscally dependent on the primary government (i.e., the organization is unable to approve or modify its budget, levy taxes or set rates/charges, or issue bonded debt without approval from the primary government).
- In certain cases, other organizations are included as component units if the nature and significance of their relationship with the primary government are such that their exclusion would cause the primary government's financial statements to be misleading or incomplete, even though the primary government is not considered financially accountable for that organization under the criteria previously described. A legally separate, tax exempt organization is reported as a component unit if (1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the primary government or its constituents; (2) the primary government is entitled to or has the ability otherwise access a majority of the economic resources received or held by the organization; and (3) the economic resources received or held by the organization are significant to the primary government.

Component units must be classified as either “blended” or “discrete” in the primary government’s financial statements. A component unit is “blended” if the governing boards of the two organizations are substantially the same, or if the component unit provides services entirely or almost entirely to the primary government. Because of the closeness of its relationship with the primary government, a “blended” component unit is presented as though it is part of the primary government and, therefore, is included in both the government-wide and fund financial statements. Component units that do not meet either of these two criteria are considered “discrete” and are reported only in the government-wide financial statements.

A brief description of OCFA’s discretely presented component unit is as follows:

- The **OCFA Foundation** (“Foundation”) was established by the OCFA Board of Directors in July 2010, and qualifies as a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The purpose of the Foundation is to support OCFA with the additional resources needed to provide an enhanced level of fire prevention, suppression, and emergency medical services to the citizens of Orange County. The Foundation assists OCFA by conducting fundraising activities and securing non-government grant funds, services, materials, and contributions that support OCFA’s mission. OCFA provided \$50,000 from the General Fund as start-up funding for the Foundation, which was subsequently repaid to OCFA on April 28, 2021. The tax-exempt status of the Foundation was approved by the Internal Revenue Service on February 23, 2011, and the inaugural meeting of the Foundation Board was April 28, 2011.

The Foundation’s Board of Directors consists of no less than three and no more than seven members, the exact number determined by resolution of the Foundation Board. Foundation Board members must have been active in or had significant prior experience in governmental or community organizations, or the fire service. The Foundation Board may consist of any combination of members of the public, OCFA employees, and/or past or current OCFA Board members. Initially, the Chair of OCFA’s Board appointed the first three Foundation Directors. As of June 30, 2024, there were five non-OCFA Board members on the Foundation’s Board. Additional members may be appointed by the Foundation Board at a future date via a simple majority vote.

The Foundation is considered a component unit of OCFA, because the nature and significance of its relationship with OCFA is such that its exclusion would cause OCFA’s financial statements to be misleading or incomplete. Within these financial statements, the Foundation is reported as a discrete component unit in the government-wide financial statements. The Foundation also issues separate, component unit financial statements that may be obtained through written request from OCFA Executive Management at 1 Fire Authority Road, Irvine, California 92602.

OCFA reports the Extra Help Retirement Plan and the Retiree Medical Plan, single-employer pension and other postemployment benefits plans, respectively, as fiduciary component units in the Pension and Other Postemployment Benefits Trust Funds. These plans are administered by OCFA, with the OCFA Board serving as the governing body of the plans and approving plan provisions. Plan assets are held in trust in a fiduciary capacity for the purpose of providing pension and other postemployment benefits to OCFA’s retirees. As such, these component units are not reported as part of the OCFA’s reporting entity, but rather as fiduciary activities in accordance with GASB Statement No. 84.

(b) Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities), report information about OCFA as a whole, excluding its fiduciary activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. During the course of operations, OCFA has activity between its governmental funds for various purposes. Residual balances at the end of the fiscal year, interfund transfers, and other transactions between governmental funds, if any, are eliminated in the preparation of the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of the given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. OCFA considers revenues to be available if they are typically collected within 180 days of the end of the current fiscal period, with the exception of property taxes, which are considered available if they are typically collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and leases, are recorded only when payment is due.

Property taxes, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by OCFA.

Fiduciary fund financial statements are reported using the same *economic resources measurement focus* and the *accrual basis of accounting* described for the government-wide financial statements.

(c) Major Funds and Other Fund Types

Major Governmental Funds

Major funds are those whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. The General Fund is always a major fund. OCFA has elected to report all of its governmental funds as major funds.

- The **General Fund** is the primary operating fund of OCFA and is used to account for all financial resources not accounted for and reported in another fund. The General Fund accounts for the financial activities of providing fire suppression, protection, prevention, and related services to OCFA's member cities and unincorporated areas. The primary sources of revenue are property taxes for fire protection (Structural Fire Fund), cash contracts, intergovernmental reimbursements, and various user fees.
- The **Communications and Information Systems Fund** is a capital projects fund used to account for the significant acquisition, improvement, or replacement of specialized communications and information technology systems and/or equipment.

- The **Fire Apparatus Fund** is a capital projects fund used to account for the significant acquisition, improvement, or replacement of fire apparatus, including vehicles, trailers, and helicopters.
- The **Fire Stations and Facilities Fund** is a capital projects fund used to account for the significant acquisition, improvement, replacement, or construction of fire stations and facilities.

Fiduciary Fund Types

- **Pension and Other Employee Benefit Trust Funds** are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. OCFA's pension and other employee benefit trust funds account for the extra help postemployment defined benefit retirement plan, and a postemployment health care plan trust established under Internal Revenue Code section 401(h) to pay health allowances to eligible retired members of the OCFA. The postemployment healthcare plan is presented in accordance with the plan year-end of December 31.

(d) Cash and Investments

OCFA's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments.

Investments are stated at fair value (the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants), in accordance with GASB Statement No. 72. OCFA's policy is generally to hold investments until maturity. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

(e) Receivables

All accounts receivable are shown net of an allowance for uncollectible amounts.

Under California law, counties assess and collect property taxes up to 1% of assessed value and can increase the property tax rate no more than 2% per year. The property taxes go into a pool and are then allocated to the cities and local government entities based on complex formulas. The County bills and collects the property taxes and distributes them to OCFA in installments during the year. Accordingly, OCFA accrues only those taxes which are received from the County within 60 days after year-end. A summary of the property tax calendar is as follows:

Lien date	January 1
Levy date	Fourth Monday of September
Due dates	November 1 and February 1
Delinquent dates	December 10 and April 10

(f) Prepaid Costs

OCFA accounts for all supplies inventories (i.e., office supplies, automotive parts, vehicle and jet fuel, etc.) under the "purchase method," whereby expenditures are recognized at the time they are purchased, rather than when they are consumed or used. Thus, supplies inventories are recognized at cost using the specific identification method at the time of purchase.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both the government-wide and fund financial statements. OCFA accounts for prepaid items (i.e., warranties, annual maintenance fees, and professional memberships) under the "consumption method," whereby expenditures are recognized proportionately over the period that the services are provided. Nonspendable fund balance in an amount equal to prepaid costs is reported in the governmental fund types, since these amounts are not in a spendable form.

OCFA has established a dollar threshold for the review and establishment of prepaid items. Individual invoices and charges greater than or equal to \$5,000 are evaluated for reporting under the consumption method. Individual invoices and charges less than \$5,000 are reported under the “purchase method.” At the discretion of OCFA Finance Division management, exceptions to the \$5,000 threshold may include travel-related items or situations where failing to report a prepaid item under the consumption method may cause an individual division or section to materially exceed its appropriated budget for a given fiscal year.

(g) Capital Assets, Right-to-Use Lease Assets, and Right-to-Use Subscription Assets

Capital assets of governmental activities are reported in the government-wide financial statements, including land, construction in progress, work in progress, buildings, equipment, and vehicles. Capital assets are defined by OCFA as assets with an estimated useful life in excess of one year and with an initial, individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or developer-contributed capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not materially add to the value of the asset or materially extend the asset’s useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets received in a service concession arrangement, if any, are reported at acquisition value.

Right-to-use lease assets are reported in the applicable governmental activities column in the government-wide financial statements. These capital assets are defined by OCFA as assets with an estimated useful life in excess of one year and with an initial, individual cost of \$50,000 or more. Such capital assets are recorded at the present value of the lease liability, including expenses to place the asset into service. In accordance with GASB Statement No. 87, OCFA has reported right-to-use lease assets for buildings, equipment, vehicles, and land.

Right-to-use subscription assets (intangible assets) are reported in the governmental activities column in the government-wide financial statements. These capital assets are defined by OCFA as assets with an estimated useful life in excess of one year and with an initial, fixed and fixed in-substance future payment stream over the subscription term estimated at \$50,000 or more.

OCFA’s capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

Buildings and Improvements	45 years
Equipment	3 – 40 years
Vehicles	4 – 20 years
Right-to-use lease assets	Shorter of the lease asset’s useful life or the lease term
Right-to-use subscription assets	Shorter of the subscription asset’s useful or the subscription term

(h) Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position of governmental activities and the Balance Sheet of governmental funds may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as outflows of resources (expenses or expenditures) during the current fiscal year. OCFA currently reports deferred outflows pertaining to pensions and other postemployment benefits on the Statement of Net Position of governmental activities.

In addition to liabilities, the Statement of Net Position of governmental activities and the Balance Sheet of governmental funds may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as inflows of resources (revenues) during the current fiscal year. Items that qualify for reporting as a deferred inflow in the governmental funds, which arise under the modified accrual basis of accounting, include unavailable revenue and deferred inflows pertaining to leases. These amounts will be recognized as an inflow of resources in the period that the amounts become available. OCFA also currently reports deferred inflows pertaining to pensions, other postemployment benefits, and leases on the Statement of Net Position of governmental activities.

(i) Compensated Absences

OCFA's policy permits employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay and unpaid sick leave to which employees are entitled under their respective Memorandums of Understanding (MOU's) have been accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if it has matured (for example, as a result of employee resignations or retirements).

(j) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Orange County Employees Retirement System (OCERS) plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(k) Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Retiree Medical Plan and additions to/deductions from OCFA's fiduciary net position have been determined on the same basis. For this purpose, OCFA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(l) Fund Equity

The components of the fund balances of governmental funds reflect the component classifications described below.

- **Nonspendable** fund balance includes amounts that are not in a spendable form, such as prepaid items, or that are legally or contractually required to remain intact, such as principal endowments.
- **Restricted** fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.
- **Committed** fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as OCFA's highest level of decision-making authority and has the authority to establish, modify, or rescind a fund balance commitment via a minutes order, which may or may not be documented by a written Board resolution.
- **Assigned** fund balance includes amounts intended to be used by OCFA for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors. OCFA's Board of Directors has established a *Fund Balance Assignment Policy* which establishes the authority by which OCFA may set aside cumulative resources in fund balance for an intended future use. The Board of Directors has the authority to assign fund balance, and has delegated its authority to assign amounts for workers' compensation and the capital improvement program to the Deputy Chief of the Administration & Support Bureau, or their designee, in accordance with the parameters outlined in the policy and subject to annual review and concurrence by the Budget and Finance Committee.
- **Unassigned** fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose. The General Fund should be the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific

purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, OCFA's *Flow Assumptions Policy* specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, OCFA's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

(m) Operating Contingency

In June 1998, OCFA established a General Fund Contingency Reserve ("operating contingency"), which was subsequently revised to 10% of budgeted non-grant operating expenditures. OCFA's policy states that the operating contingency be used only for operating contingencies, emergencies caused by calamitous events, and economic uncertainty. The operating contingency's balance is included within the unassigned fund balance category of the General Fund.

(n) Prior Year Data

The information included in the accompanying financial statements for the prior year has been presented for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Certain minor reclassifications of prior year data have been made in order to enhance their comparability with current year figures.

(o) Use of Estimates

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America and, accordingly, include amounts that are based on management's best estimates and judgments. Actual results could differ from those estimates.

(2) Compliance and Accountability

(a) Budgetary Information

OCFA establishes accounting control through formal adoption of an annual operating budget for its governmental funds. The operating budgets are prepared on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all of OCFA's governmental funds.

Perspective differences occur when the framework used for budgeting differs from the fund structure used for financial reporting. OCFA's General Fund consists of five separately budgeted sub-funds that have been combined and consolidated for financial statement presentation. The table below reconciles fund balance for the General Fund as reported on the budgetary basis to the presentation in the financial statements. The Supplementary Schedules section of this report includes additional General Fund combining schedules for balance sheet, budgetary data, and actual operating data for the year ended June 30, 2024.

	<u>Fund Balance as of June 30, 2024</u>
Budgetary basis:	
General Operating Fund	\$ 49,720,716
General Fund Capital Improvement Program (CIP)	15,188,979
Structural Fire Entitlement	3,423,205
Self Insurance	164,780,297
Settlement Agreement	<u>32,497,984</u>
General Fund for financial statement presentation	<u>\$265,611,181</u>

The adopted budget can be amended by the Board to change both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Increases and decreases in revenue and appropriations and transfers between funds require the Board's approval; however, division and section managers, Assistant Chiefs, Directors, and Deputy Chiefs may authorize changes within funds and/or their respective authorized budgets. Expenditures may not exceed total appropriations at the individual fund level. It is the practice of OCFA to review the budgets mid-year and, if necessary, recommend changes to the Board.

(b) Emergency Appropriations Policy

In September 2008, the Board adopted the Emergency Appropriations Policy to provide a means of increasing budgeted appropriations in the event that extraordinary fire or emergency incident activity occurs after the last Board meeting of the fiscal year, which may cause expenditures to exceed the authorized General Fund budget. The contingency appropriation, which may not exceed \$3,000,000 each fiscal year, is established for unforeseen requirements, primarily salary and employee benefits for extraordinary fire or emergency response. No expenditures may be made directly against the contingency appropriations; however, OCFA management may recommend a transfer from the contingency appropriations to a specific purpose appropriation. The Chair of the Board of Directors or the Vice Chair, in the absence of the Chair, must pre-approve any such transfers. Upon approval by the Chair or Vice Chair, notice of this transfer must be provided immediately to the full Board in writing.

(c) Encumbrance Accounting

Encumbrance accounting is employed in governmental funds. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in OCFA's governmental funds. Encumbrances outstanding at year-end are reported as restricted, committed, or assigned fund balance, depending on the type of revenue source associated with the encumbrance, and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent fiscal year. All appropriations lapse at year-end with the exception of encumbered appropriations, which are effectually re-appropriated in the ensuing year's budget.

(3) Implementation of New Accounting Standards

During the year ended June 30, 2024, OCFA implemented the following new accounting standard issued by the Governmental Accounting Standards Board (GASB):

- **GASB Statement No. 100 *Accounting Changes and Error Corrections – An Amendment to GASB Statement No. 62*** defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The Statement prescribes the accounting and financial reporting for each type of accounting change and for error corrections. Implementation of GASB Statement No. 100 did not have any direct impact on the presentation of OCFA's Fiscal Year 2023/24 financial statements.

(4) Cash and Investments

(a) Financial Statement Presentation

OCFA maintains a cash and investment pool that is available for use for all funds. Each fund's position in the pool is reported on the balance sheet as cash and investments. Pooled investments held in trust with OCERS (presented within the Fiduciary Funds of these financial statements) are reported as of the December 31, 2023, plan year-end date. Additional investment information is provided within these notes as Note 26.

Cash and investments as of June 30, 2024, are reported in the financial statements as follows:

	Statement of Net Position		Statement of Fiduciary Net Position	
	Governmental Activities	Discretely Presented Component Unit (OCFA Foundation)	Fiduciary Funds	Total
Cash and investments	\$296,835,687	\$311,508	\$78,196,692	\$375,343,887
Restricted cash and investments	19,178,391	-	-	19,178,391
Total	<u>\$316,014,078</u>	<u>\$311,508</u>	<u>\$78,196,692</u>	<u>\$394,522,278</u>

Cash and investments consist of the following as of June 30, 2024:

Petty cash / cash on hand	\$ 22,298
Demand deposits	1,622,081
Investments	<u>392,877,899</u>
Total	<u>\$394,522,278</u>

(b) Demand Deposits

At June 30, 2024, the carrying amount of OCFA's demand deposits was \$1,622,081 and the bank balance was \$2,791,559. The \$1,169,478 difference represents outstanding checks and other reconciling items.

California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "agent of depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government. The OCFA Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC.

(c) Investments Authorized by Government Code and OCFA Investment Policy

The table below identifies investment types that are authorized by OCFA's investment policy and by California Government Code Section 53600 et seq. and Section 5922(d). The table also identifies provisions of the California Government Code (or OCFA's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The table, however, does not cover investments of debt proceeds, if any, held by fiscal agent, which are governed by the provisions of debt agreements of OCFA rather than the general provisions of OCFA's investment policy. In addition, this table does not include other investment types that are allowable under the California Government Code but are not specifically authorized by OCFA's investment policy.

Investment Types	Maximum Maturity	Maximum % of Portfolio in Investment Type	Maximum % of Portfolio in Single Issuer
U.S. Treasury obligations	5 years	100%	100%
Federal agency securities	5 years	75% ⁽¹⁾	75% ⁽¹⁾
Bankers' acceptances	180 days	25% ⁽¹⁾	25% ⁽¹⁾
Commercial paper	270 days	15% ⁽¹⁾	15% ⁽¹⁾
Negotiable certificates of deposit	5 years	25% ⁽¹⁾	25% ⁽¹⁾
Repurchase agreements	14 days	15% ⁽¹⁾	15% ⁽¹⁾
Money market mutual funds	n/a	15% ^(1,2)	15% ^(1,2)
Local Agency Investment Fund	n/a	75% ⁽¹⁾	75% ⁽¹⁾

(1) Based on OCFA investment policy requirement, which is more restrictive than state law

(2) No limit on automatic overnight sweep

(d) Local Agency Investment Fund

OCFA is a voluntary participant in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the State and invests the cash. The fair value of OCFA's investment in this pool, which approximates cost, is reported in the accompanying financial statements based on OCFA's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis and reported as cash equivalents in the Statement of Net Position. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. Deposits and withdrawals to and from LAIF are made on the basis of \$1 and not at fair value. Accordingly, under the fair value hierarchy, the investment with LAIF is uncategorized.

The Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity, and yield are not jeopardized. The value of OCFA's LAIF deposits as of June 30, 2024, was \$55,639,414 and had a weighted average maturity of 217 days. LAIF is not rated as to credit risk by a nationally recognized statistical rating organization. LAIF is administered by the State Treasurer's Office and audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office, 915 Capitol Mall, Sacramento, California 95814.

(e) Internal Revenue Code Section 115 Trust

On May 23, 2019, OCFA's Board of Directors approved the adoption of the Public Agencies Postemployment Benefits Trust, an Internal Revenue Service (IRS) Section 115 irrevocable trust (115 Trust) as required under the terms of a Settlement Agreement with the City of Irvine. The 115 Trust is administered by Public Agency Retirement Services (PARS) per the terms of an Agreement for Administrative Services (AAS) between OCFA and PARS for the initial term May 23, 2019, through May 23, 2022. Unless a thirty-day written notice to terminate is given by either party, the AAS will continue unchanged for successive twelve-month periods following the initial term. Under the terms of the AAS, PARS holds a private letter ruling from the IRS that assures the tax-exempt status of the investment. OCFA maintains control over the assets in the 115 Trust, which are not commingled with other agencies. PARS has entered into a Public Agencies Postemployment Benefits Trust Arrangement with U.S. Bank National Association (U.S. Bank) effective November 5, 2014, whereby PARS serves as the Trust Administrator and U.S. Bank serves as the Trustee for a public agency that executes a 115 Trust agreement with PARS. Additional 115 Trust information, including the funding timeline required per OCFA's Settlement Agreement with the City of Irvine, is provided within these notes as Note 15.

(f) GASB Statement No. 72

GASB Statement No. 72, *Fair Value Measurement and Application*, establishes general principles for measuring fair value and standards of accounting and financial reporting for assets and liabilities measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. OCFA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. For Level 2 inputs, OCFA's custodian US Bank uses the services of ICE Data Services (IDS) to obtain the pricing information. Level 3 inputs are significant unobservable inputs. OCFA has the following fair value measurements as of June 30, 2024:

	Fair Value Hierarchy Level			Total
	Level 1	Level 2	Level 3	
U.S. Treasury obligations	\$ 66,287,270	\$ -	\$ -	\$ 66,287,270
Federal agency securities	-	148,182,114	-	148,182,114
Money market mutual funds	<u>34,856,323</u>	<u>-</u>	<u>-</u>	<u>34,856,323</u>
	<u>\$101,143,593</u>	<u>\$148,182,114</u>	<u>\$ -</u>	249,325,707
Uncategorized investments:				
LAIF				55,639,414
Pooled amounts held in trust with OCERS				78,177,194
Section 115 pension trust				<u>9,735,584</u>
Total				<u>\$392,877,899</u>

U.S. Treasury obligations and federal agency securities are valued using institutional bond quotes. Money market investments that have a remaining maturity at the time of purchase of one year or less and are held by governments other than external investment pools, and investments held by 2a7-like external investment pools, are measured at amortized cost as provided in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

(g) Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required (where applicable) by the California Government Code, OCFA's investment policy, or debt agreements, as well as the actual rating as of year-end for each investment type as of June 30, 2024.

	Minimum Rating Required	Rating at Year-End			Total
		AAA	Unrated	Exempt	
U.S. Treasury obligations	N/A	\$ -	\$ -	\$ 66,287,270	\$ 66,287,270
Federal agency securities	N/A	-	-	148,182,114	148,182,114
Money market mutual funds	Aaa/AA+/AAA	34,856,323	-	-	34,856,323
LAIF	N/A	-	55,639,414	-	55,639,414
Pooled amounts held in trust with OCERS	N/A	-	78,177,194	-	78,177,194
Section 115 pension trust	N/A	<u>-</u>	<u>9,735,584</u>	<u>-</u>	<u>9,735,584</u>
Total		<u>\$34,856,323</u>	<u>\$143,552,192</u>	<u>\$214,469,384</u>	<u>\$392,877,899</u>

(h) Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. OCFA's investment policy requires that collateral be held by an independent third party with whom OCFA has a current custodial agreement. The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. OCFA's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of OCFA's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. As of June 30, 2024, none of the OCFA's deposits or investments was exposed to disclosable custodial credit risk.

(i) Concentration of Credit Risk

OCFA's investment policy imposes restrictions for certain types of investments with any one issuer to 15% of the total investment pool with the following exceptions: U.S. Treasury obligations (100%), LAIF (75%), federal agency securities (75%), bankers' acceptances (25%), and negotiable certificates of deposit (25%). With respect to concentration risk as of June 30, 2024, OCFA is in compliance with the investment policy's restrictions. In addition, GASB Statement No. 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value (exclusive of amounts held by fiscal agent and OCERS). Investments guaranteed by the U.S. government, mutual funds, and external investment pools are excluded from this requirement. Investments with issuers exceeding 5% of the total investment portfolio at June 30, 2024, are summarized below.

Issuer	Fair Value	% of Portfolio
Federal Home Loan Bank (FHLB)	\$112,758,104	38.2%
Federal Farm Credit Bank (FFCB)	\$18,436,600	6.2%
Federal Home Loan Mortgage Corp (Freddie Mac)	\$16,987,410	5.7%

(j) Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. OCFA's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. OCFA's investment policy states that at least 50% of the portfolio must mature in 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 has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of June 30, 2024, the OCFA had the following investments and maturities:

	Investment Maturities in Months				Total
	6 or Less	7 to 12	13 to 60	N/A	
U.S. Treasury obligations	\$ 58,603,830	\$ 7,683,440	\$ -	\$ -	\$ 66,287,270
Federal agency securities	79,994,314	29,005,620	39,182,180	-	148,182,114
Money market mutual funds	34,856,323	-	-	-	34,856,323
LAIF	-	55,639,414	-	-	55,639,414
Pooled amounts held in trust with OCERS	-	-	-	78,177,194	78,177,194
Section 115 pension trust	-	-	-	9,735,584	9,735,584
Total	<u>\$173,454,467</u>	<u>\$92,328,474</u>	<u>\$39,182,180</u>	<u>\$87,912,778</u>	<u>\$392,877,899</u>

As of June 30, 2024, OCFA's investments included the following callable investments exposed to interest rate risk:

Issuer	Call Date(s)	Yield to Call	Maturity Date	Fair Value
Federal Home Loan Bank (FHLB)	6/30/2024	0.55%	9/30/2024	\$7,902,800
Federal Farm Credit Bank (FFCB)	7/1/2024	0.71%	4/21/2025	\$2,888,700
Federal Farm Credit Bank (FFCB)	7/1/2024	0.72%	4/28/2025	\$11,545,920
Federal Home Loan Bank (FHLB)	7/23/2024	0.52%	10/23/2024	\$10,841,624
Federal Home Loan Bank (FHLB)	7/29/2024	1.00%	4/26/2026	\$11,195,520
Federal Home Loan Bank (FHLB)	8/11/2024	0.55%	10/11/2024	\$11,831,760
Federal Home Loan Mortgage Corp (Freddie Mac)	9/25/2024	5.41%	6/25/2026	\$8,990,370
Federal Farm Credit Bank (FFCB)	11/29/2024	5.44%	5/29/2026	\$1,999,060
Federal Home Loan Bank (FHLB)	3/12/2025	5.22%	6/12/2026	\$6,997,270
Federal Home Loan Mortgage Corp (Freddie Mac)	5/21/2025	5.20%	5/21/2026	\$7,997,040
Federal Farm Credit Bank (FFCB)	5/28/2025	5.25%	5/28/2026	\$2,002,920

(5) Accounts Receivable, Net

Accounts receivable, net of allowance for doubtful accounts, consists of the following as of June 30, 2024:

	Governmental Funds		Primary Government
	General Fund	Communications And Information Systems	Governmental Activities
Ambulance and other reimbursements	\$4,940,732	\$13,961	\$4,954,693
Fire prevention and late fees	412,413	-	412,413
Other/miscellaneous	<u>283,736</u>	<u>-</u>	<u>283,736</u>
Accounts receivable	5,636,881	13,961	5,650,842
Allowance for doubtful accounts	<u>(50,778)</u>	<u>-</u>	<u>(50,778)</u>
Accounts receivable, net	<u>\$5,586,103</u>	<u>\$13,961</u>	<u>\$5,600,064</u>

(6) Prepaid Costs, Other Assets, and Nonspendable Fund Balance of Governmental Funds

In January 2023, OCFA prepaid a portion of its Fiscal Year 2023/24 retirement contributions to the Orange County Employees Retirement System (OCERS) totaling \$30,499,241. In January 2024, OCFA prepaid a portion of its Fiscal Year 2024/25 retirement contributions to OCERS totaling \$32,943,293. In the governmental funds, the unamortized balance of the January 2023 prepayment totaled \$1,173,048 as of June 30, 2024, due to the timing of the pay period calendar. The entire amount of the January 2024 prepayment was unamortized as of June 30, 2024. In the governmental activities, a portion of Fiscal Year 2024/25 prepaid retirement contributions totaling \$15,205,000 is reported as a deferred outflow of resources related to pensions, since the contributions will reduce (increase) the net pension liability (asset) with OCERS prior to the Plan's next measurement date.

Other prepaid costs and assets as of June 30, 2024, included annual maintenance and support fees, professional memberships, warranties, insurance premiums, and deposits with the third-party administrator of an employee benefit flexible health spending program. Prepaid costs and other assets consist of the following as of June 30, 2024:

FY 2023 / 2024
Annual Comprehensive Financial Report

	Governmental Funds			Primary Government
	General Fund	Communications and Information Systems	Fire Apparatus	Governmental Activities
Prepaid costs:				
Retirement contributions:				
Fiscal Year 2024/25	\$32,943,293	\$ -	\$ -	\$17,738,293
Fiscal Year 2023/24	1,173,048	-	-	1,173,048
Maintenance and support	1,152,591	-	-	1,152,591
Subscriptions and memberships	93,594	-	-	93,594
Insurance	16,085	-	-	16,085
Warranties	-	29,191	6,808	35,999
Other	<u>114,467</u>	<u>-</u>	<u>-</u>	<u>114,467</u>
Total prepaid costs	35,493,078	29,191	6,808	20,324,077
Other assets:				
Health spending deposits	<u>79,410</u>	<u>-</u>	<u>-</u>	<u>79,410</u>
Total	<u>\$35,572,488</u>	<u>\$29,191</u>	<u>\$6,808</u>	<u>\$20,403,487</u>

Prepaid costs are reported as an asset until the expenditures are recognized proportionately over the future period in which the services are to be provided. An amount equal to the asset is reported as nonspendable fund balance in the governmental funds, since these amounts are not in a spendable form. As of June 30, 2024, nonspendable fund balance totaled \$35,529,077 and is reported in the General Fund (\$35,493,078), the Communications and Information Systems Fund (\$29,191), and the Fire Apparatus Fund (\$6,808).

(7) Due from Other Governments

Amounts due from other governments consist of the following as of June 30, 2024:

	Governmental Funds			Primary Government
	General Fund	Fire Apparatus	Fire Stations and Facilities	Governmental Activities
Property tax and tax increment	\$ 6,598,359	\$ -	\$ -	\$ 6,598,359
Assistance by hire (ABH) and activation claims	4,866,514	-	-	4,866,514
COVID-19 pandemic response	4,489,606	-	-	4,489,606
Cash contract charges	4,118,944	34,908	-	4,153,852
FIRIS program	2,923,153	-	-	2,923,153
State responsibility area	2,730,970	-	21,729	2,752,699
Grants	1,189,993	-	-	1,189,993
Other	<u>25,411</u>	<u>-</u>	<u>-</u>	<u>25,411</u>
Due from other governments	26,942,950	34,908	21,729	26,999,587
Allowance for doubtful accounts	<u>(147,977)</u>	<u>-</u>	<u>-</u>	<u>(147,977)</u>
Due from other governments, net	<u>\$26,794,973</u>	<u>\$34,908</u>	<u>\$21,729</u>	<u>\$26,851,610</u>

(8) Lessor in Lease Agreement (Lease Receivables)

(a) General Information about the Lease

On March 24, 2011, OCFA entered into a Wireless Communications Facilities Site Lease with Vista Towers, LLC (Vista), to provide space at the OCFA-owned Regional Fire Operations and Training Center to install and operate a digital mobile radio communications site consisting of up to two wireless communication towers, equipment shelters, and cabinets, for up to six cell phone carriers (Cell Tower). In July 2015, the Board of Directors approved Vista's request to assign its interest in the lease to SBA Towers VI, LLC (SBA). SBA assumed the payment terms of the original agreement, and is

responsible for the installation, construction, maintenance, repairs, replacement, and operations of the towers and, if applicable, the removal of the towers upon termination of the lease.

The five-year lease term commenced on July 15, 2012. The lease may be renewed for up to four consecutive five-year increments, for a total of twenty-five years through July 15, 2037. Rent is due the first of each month and is determined based on the number of carriers being occupied by each tower. Initial base rent, which automatically increases by 3% annually, is \$1,250 for each month in which there is one or no carrier on one of the towers, and \$1,000 per month for each additional carrier occupied on each tower beyond the first carrier. OCFA began collecting base rent commencing July 15, 2012, with rent for a second and third carrier commencing in June and October 2013, respectively. Base rent for a fourth carrier commenced in December 2022. Adjusted monthly base rent as of June 30, 2024, was \$5,488 for the four carriers.

As of June 30, 2024, OCFA reported a lease receivable and a deferred inflow of resources totaling \$853,501, and \$774,231, respectively, in the General Fund and the primary government's governmental activities. The deferred inflow of resources relating to leases will be recognized as a reduction of the lease receivable over the remaining term of the lease agreement. The lease receivable will be reduced as repayments are received. Principal and interest totaling \$41,676 and \$29,614, respectively, were received during the year ended June 30, 2024.

(b) Inflows of Resources

Inflows of resources recognized in Fiscal Year 2023/24 consisted of the following:

<u>Inflows of Resources</u>	<u>Amount</u>
Lease revenue	\$64,948
Interest revenue	<u>29,614</u>
Total	<u>\$94,562</u>

(c) Principal and Interest Requirements

Future principal and interest requirements to maturity for the lease receivable as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024/25	\$ 38,154	\$ 23,916	\$ 62,070
2025/26	44,900	24,802	69,702
2026/27	48,445	23,351	71,796
2027/28	52,162	21,787	73,949
2028/29	56,058	20,106	76,164
2029/30	60,153	18,297	78,450
2030/31	64,450	16,358	80,808
2031/32	68,954	14,284	83,238
2032/33	73,674	12,066	85,740
2033/34	78,617	9,697	88,314
2034/35	83,796	7,171	90,967
2035/36	89,229	4,480	93,709
2036/37	<u>94,909</u>	<u>1,614</u>	<u>96,523</u>
Total	<u>\$853,501</u>	<u>\$197,929</u>	<u>\$1,051,430</u>

(9) Capital Assets

(a) Changes in Capital Asset Balances by Asset Class

Capital asset activity for the year ended June 30, 2024, was as follows:

<u>Primary Government/ Governmental Activities</u>	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Capital assets not depreciated/amortized:					
Land	\$ 42,757,850	\$ -	\$ -	\$ -	\$ 42,757,850
Construction in progress	2,277,371	7,352,424	-	-	9,629,795
Work in progress	<u>52,080,439</u>	<u>13,871,034</u>	<u>(394,061)</u>	<u>(59,591,499)</u>	<u>5,965,913</u>
Total capital assets not depreciated/amortized	<u>97,115,660</u>	<u>21,223,458</u>	<u>(394,061)</u>	<u>(59,591,499)</u>	<u>58,353,558</u>
Capital assets depreciated/amortized:					
Buildings	153,906,232	-	(377,555)	-	153,528,677
Right-to-use lease buildings	251,578	-	-	-	251,578
Equipment	64,465,291	3,466,373	(660,515)	59,591,499	126,862,648
Right-to-use lease equipment	18,885,790	-	(18,885,790)	-	-
Right-to-use subscription equipment	-	268,002	-	-	268,002
Vehicles	120,426,713	7,204,227	(878,693)	-	126,752,247
Right-to-use lease land	<u>4,679,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,679,622</u>
Subtotal	<u>362,615,226</u>	<u>10,938,602</u>	<u>(20,802,553)</u>	<u>59,591,499</u>	<u>412,342,774</u>
Less accumulated depreciation/amortization:					
Buildings	(63,706,172)	(3,342,265)	366,624	-	(66,681,813)
Right-to-use lease buildings	(66,534)	(22,668)	-	-	(89,202)
Equipment	(45,019,490)	(3,775,011)	540,465	-	(48,254,036)
Right-to-use lease equipment	(12,648,768)	(6,237,022)	18,885,790	-	-
Right-to-use subscription equipment	-	(30,806)	-	-	(30,806)
Vehicles	(72,648,087)	(6,214,131)	878,693	-	(77,983,525)
Right-to-use lease land	<u>(312,048)</u>	<u>(112,684)</u>	<u>-</u>	<u>-</u>	<u>(424,732)</u>
Subtotal	<u>(194,401,099)</u>	<u>(19,734,587)</u>	<u>20,671,572</u>	<u>-</u>	<u>(193,464,114)</u>
Total capital assets depreciated/amortized, net	<u>168,214,127</u>	<u>(8,795,985)</u>	<u>(130,981)</u>	<u>59,591,499</u>	<u>218,878,660</u>
Capital assets, net	<u>\$265,329,787</u>	<u>\$12,427,473</u>	<u>\$ (525,042)</u>	<u>\$ -</u>	<u>\$277,232,218</u>
<u>Component Unit/ OCFA Foundation</u>	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Capital assets depreciated/amortized:					
Equipment	\$ 15,979	\$ -	\$ -	\$ -	\$ 15,979
Less accumulated depreciation/amortization:					
Equipment	<u>(4,861)</u>	<u>(799)</u>	<u>-</u>	<u>-</u>	<u>(5,660)</u>
Capital assets, net	<u>\$ 11,118</u>	<u>\$ (799)</u>	<u>-</u>	<u>-</u>	<u>\$ 10,319</u>

(b) Net Investment in Capital Assets

The portion of net position that is invested in capital assets as of June 30, 2024, is calculated as follows:

	Primary Government Governmental Activities	Component Unit OCFA Foundation
Total capital assets	\$ 470,696,332	\$15,979
Accumulated depreciation/amortization	<u>(193,464,114)</u>	<u>(5,660)</u>
Net carrying value of capital assets	<u>277,232,218</u>	<u>10,319</u>
Outstanding principal of capital debt, limited to portion of the debt on which proceeds were expended for capital purposes:		
Financed purchase agreement	(55,111,628)	-
Lease liabilities	(4,847,172)	-
Subscription liabilities	<u>(37,238)</u>	<u>-</u>
	<u>(59,996,038)</u>	<u>-</u>
Outstanding balance of other capital-related liabilities:		
Retentions payable	(396,287)	-
Accounts payable	<u>(11,258,008)</u>	<u>-</u>
	<u>(11,654,295)</u>	<u>-</u>
Net investment in capital assets	<u>\$205,581,885</u>	<u>\$10,319</u>

(c) Depreciation/Amortization Expense

Depreciation/amortization expense in the amounts of \$19,734,587 and \$799 were charged to public safety in the Statement of Activities of the primary government and the component unit, respectively, for the year ended June 30, 2024.

(10) Unearned and Unavailable Revenue

Revenue amounts that have been collected but are *unearned* are reported as liabilities of both the governmental activities and the governmental funds. Revenue amounts that have been earned but are considered *unavailable* to finance the expenditures of the current fiscal period are reported as deferred inflows of resources of the governmental funds. Unearned and unavailable revenues consist of the following as of June 30, 2024:

	Governmental Funds	Primary Government Governmental Activities	Component Unit OCFA Foundation
	<u>General Fund</u>		
Unearned revenue:			
Quick Reaction Force program cash advance	\$10,332,311	\$10,332,311	\$ -
Grant cash advance for wire cutters	85,000	85,000	-
Miscellaneous cash advances	<u>4,048</u>	<u>4,048</u>	<u>5,130</u>
Total	<u>\$10,421,359</u>	<u>\$10,421,359</u>	<u>\$5,130</u>
Unavailable revenue:			
City of Garden Grove start-up costs	<u>\$ 568,110</u>		
Total	<u>\$ 568,110</u>		

(11) Fund Balance of Governmental Funds – Restricted

Restricted fund balance consists of the following as of June 30, 2024:

Description of Restriction	Governmental Funds			
	General Fund	Fire Apparatus	Fire Stations and Facilities	Total
Capital improvement program:				
State funding for hand crew facility/equipment	\$ -	\$ -	\$16,931,500	\$16,931,500
CalFire contract revenues for capital projects	-	-	778,715	778,715
	-	-	17,710,215	17,710,215
Debt service:				
Helicopter financed purchase agreement	-	899,593	-	899,593
	-	899,593	-	899,593
Various departments:				
CalFire funding for greenhouse gas reduction	3,688,609	-	-	3,688,609
CalFire funding for hand crew firefighter staffing	433,332	-	-	433,332
CalFire funding for surge firefighter staffing	261,461	-	-	261,461
CalOES hand crew equipment	250,000	-	-	250,000
CalFire augmentation for upstaffing	60,790	-	-	60,790
CalFire contract revenues for capital projects	23,037	-	-	23,037
	4,717,229	-	-	4,717,229
Section 115 pension trust:				
Irvine Settlement Agreement	9,733,459	-	-	9,733,459
	9,733,459	-	-	9,733,459
Total	\$14,450,688	\$899,593	\$17,710,215	\$33,060,496

Restricted fund balance includes resources accumulated from CalFire and other state funding that must be utilized for specific programs or projects, including staffing enhancements, new fire station development, or improvements to existing fire stations; resources that must be utilized for future debt service payments on the 2022 helicopter financed purchase agreement; and amounts set aside in a Section 115 trust for pension obligations in accordance with the March 28, 2019, Settlement Agreement between OCFA and the City of Irvine.

(12) Fund Balance of Governmental Funds – Committed

In July 1999, the Board of Directors authorized that \$4,405,086 be set aside to fund OCFA-related service or resource enhancement projects in certain structural fire fund member agencies. The Board of Directors subsequently authorized additional amounts to be set aside for the same purpose in January 2012 (\$622,106), November 2017 (\$1,000,000), and March 2022 (\$3,428,054). As of June 30, 2024, the remaining unspent amount, plus accrued interest earnings, totaling \$3,423,205 was reported as a fund balance commitment in the General Fund. The funds are committed for projects in the following member agencies:

Member Agency	Governmental Funds
	General Fund
Aliso Viejo	\$ 56,412
Irvine	3,108,564
Laguna Niguel	201,545
Rancho Santa Margarita	21,505
San Juan Capistrano	1,022
Villa Park	34,157
Total	\$3,423,205

(13) Fund Balance of Governmental Funds – Assigned

Assigned fund balance includes the following as of June 30, 2024:

Capital Improvement Program	\$ 27,453,481
Workers' compensation	164,780,297
Intended for other specific purposes	<u>38,014,558</u>
Total	<u>\$230,248,336</u>

The Board of Directors has established a *Fund Balance Assignment Policy* authorizing the assignment of fund balance to the Capital Improvement Program and self-insured workers' compensation claims.

- The assignment to the Capital Improvement Program reflects cumulative amounts transferred from the General Fund to the capital projects funds, net of actual cumulative project expenditures and other revenue sources accounted for in those funds. The assignment may also include net resources accumulated within the General Fund itself to fund purchases and projects that are capital in nature but do not necessarily meet the criteria to be reported in one of OCFA's capital projects funds. The assignment may not exceed the net cost of future identifiable projects. Fund balance assigned for the Capital Improvement Program totaled \$27,453,481 as of June 30, 2024, and is reported in the General Fund (\$12,089,724), Communications and Information Systems Fund (\$7,365,731), Fire Apparatus Fund (\$2,618,071) and Fire Stations and Facilities Fund (\$5,379,955).
- The assignment to workers' compensation reflects the cumulative difference between actual workers' compensation expenditures incurred and budgeted costs, which are based on an annual actuarial valuation prepared by an external actuary and a confidence level set by the Board of Directors. The assignment for workers' compensation is reported in the General Fund and totaled \$164,780,297 as of June 30, 2024.

Assigned fund balance as of June 30, 2024, intended to be used by OCFA for other specific purposes, subject to change, totaled \$38,014,558 and is summarized below for each governmental fund:

Intended Use of Resources	Communications and Information Systems <u>Communications/ IT Projects</u>	Fire Apparatus <u>Fire Apparatus and Vehicles</u>	Fire Stations and Facilities <u>Construction Projects</u>
Type 1 engines	\$ -	\$12,761,268	\$ -
Fire Station No. 24 (Mission Viejo)	-	-	7,612,349
Mid-mount and rear mount trucks	-	5,968,641	-
Hazardous materials vehicles	-	1,941,261	-
RFOTC training ground improvements	-	-	1,511,388
Pickup truck	-	1,069,371	-
Dozer	-	1,030,126	-
Heavy rescue vehicle	-	947,488	-
Outfitting for 44 pickup trucks and other vehicles	-	751,596	-
Infrastructure security enhancements	-	-	187,233
Emergency medical services enterprise system	141,024	-	-
Dozer tenders	-	123,244	-
Enterprise audio visual upgrade	91,030	-	-
Data Center fire suppression system	19,186	-	-
Disaster recovery facility	<u>500</u>	<u>-</u>	<u>-</u>
Total	<u>\$251,740</u>	<u>\$24,592,995</u>	<u>\$ 9,310,970</u>

Intended Use of Resources	General Fund				
	Various Departments	Facilities Projects	Communications / IT Projects	Construction Projects	Total
Phone/public address system	\$ -	\$ -	\$1,425,067	\$ -	\$1,425,067
Inclusive facilities projects	-	-	-	585,351	585,351
Station alarm system upgrades	-	-	320,853	-	320,853
Tree pest mitigation projects	264,368	-	-	-	264,368
Air operations services and supplies	168,779	-	-	-	168,779
Urban Search & Rescue program					
services and supplies	125,867	-	-	-	125,867
Fleet parts and services	110,368	-	-	-	110,368
Aviation command helibase trailer	99,408	-	-	-	99,408
Apparatus bay doors	-	-	-	91,868	91,868
Fire station remodels	-	-	-	88,946	88,946
Communications and information					
technology supplies	67,030	-	-	-	67,030
Emergency medical supplies	65,725	-	-	-	65,725
Service center supplies and					
personal protective equipment	64,777	-	-	-	64,777
Quick deploy portable weather station	43,299	-	-	-	43,299
Other	<u>186,141</u>	<u>42,150</u>	<u>-</u>	<u>108,856</u>	<u>337,147</u>
Total	<u>\$1,195,762</u>	<u>\$42,150</u>	<u>\$1,745,920</u>	<u>\$875,021</u>	<u>\$3,858,853</u>

(14) Fund Balance of Governmental Funds – Unassigned

Unassigned fund balance in the General Fund consists of the following as of June 30, 2024:

10% Operating Contingency calculation	\$44,232,521
Less: calculation in excess of total unassigned fund balance	<u>(12,717,185)</u>
10% Operating Contingency, adjusted	31,515,336
All other residual amounts available for any purpose	-
Total unassigned fund balance	<u>\$31,515,336</u>

The total amount of the 10% Operating Contingency calculation was \$44,232,521 as of June 30, 2024, which exceeded the General Fund's total unassigned fund balance by \$12,717,185.

(15) Commitments and Contingencies

(a) Settlement Agreement

Effective March 28, 2019, OCFA and Irvine entered into a Settlement Agreement, which was amended December 4, 2019, to provide the following provisions benefiting the citizens of Orange County and enhancing services provided throughout OCFA's jurisdiction:

- **Joint Police-Fire Training Facility** – Irvine will plan, develop, construct, operate, and maintain a joint training center, which will include a joint emergency operations center (collectively the Joint Training Facility) for use by the City and OCFA for no less than fifty years from completion of the facility's construction. Irvine will contribute the land and will operate and maintain the real property that comprises the Joint Training Facility. In exchange for its use, OCFA will contribute \$20,500,000 to be used by Irvine toward the Joint Training Facility's design, construction, furnishing, and the provision of fixtures or equipment for facilities. Upon Irvine's execution of design contracts, OCFA will pay Irvine \$1,000,000 for the exclusive use of making payments on the design contracts and for other expenses relating to the design of the Joint Training Facility as mutually agreed upon by Irvine and OCFA. Upon Irvine's execution of a construction contract, OCFA will pay Irvine additional amounts as

follows: (1) a combined \$19,500,000 for the construction, furniture, fixtures, and equipment of the training center (\$18,500,000) and the emergency operations center (\$1,000,000); and (2) the cost of any facility enhancements OCFA requested during the design process that would cause OCFA's total financial contributions to collectively exceed \$20,500,000.

- **Drone Program** – Irvine will establish and operate a program under which Irvine personnel will use drones to monitor open space areas in Irvine. Drones will be available to OCFA upon request to monitor open space or active fires or other hazards and disasters throughout OCFA's jurisdictional boundaries. Irvine must certify on or prior to July 1, 2019, that it has established and budgeted for the Drone Program, including anticipated costs of personnel, equipment, space, and other direct costs, totaling at least \$500,000 per year. OCFA will pay Irvine \$500,000 annually on July 15 beginning July 15, 2019, and ending July 15, 2029. If Irvine has not provided the annual certification of program and budget as previously described by June 1 of any year, then OCFA's annual payment will not be due until thirty days after such certification is provided. On or prior to May 1 each fiscal year beginning May 1, 2020, and ending May 1, 2030, Irvine will certify to OCFA the actual fiscal year-to-date costs incurred and anticipated costs to be incurred prior to the close of the fiscal year. If those costs are less than OCFA's annual \$500,000 payment, the difference will be deducted from OCFA's subsequent year payment. OCFA's expenditures for Fiscal Year 2023/24 totaled \$500,000.
- **Bi-Directional Amplifiers** – OCFA will reimburse Irvine \$500,000 for the purchase and installation of bi-directional amplifiers at nine locations within Irvine's municipal boundaries. Reimbursement payments will be made upon documentation that the amplifiers are installed and operating.
- **OCFA Training of Irvine Police Department (IPD) Emergency Medical Technicians (EMT)** – OCFA personnel will provide IPD personnel with EMT training at a cost to OCFA of \$50,000 per fiscal year through June 30, 2030. Training will be provided as requested by IPD personnel and unused training sessions will not carry over to future fiscal years. OCFA's obligation to provide EMT training commences on the latter of July 1, 2019, and the date IPD identifies personnel that are either specifically employed to serve as EMT's for Irvine or that have EMT functions integrated into their job duties.
- **Public Safety Community Emergency Response Team (CERT) Coordinator** – OCFA will pay Irvine \$118,000 per fiscal year toward the cost of one Irvine-employed, full-time CERT Coordinator. Irvine must certify on or prior to July 1, 2019, that it has established and budgeted for a CERT Coordinator position, including anticipated costs of salary, benefit, and other direct costs, totaling at least \$118,000 per year. OCFA will pay Irvine \$118,000 annually on July 15 beginning July 15, 2019, and ending July 15, 2029. If Irvine has not provided the certification of program and budget as previously described by June 1, 2019, then the first payment will not be due to Irvine until thirty days after such certification is provided. On or prior to May 1 each fiscal year beginning May 1, 2020, and ending May 1, 2030, Irvine will certify to OCFA the actual fiscal year-to-date costs incurred and anticipated costs to be incurred prior to the close of the fiscal year. If those costs are less than OCFA's annual \$118,000 payment, the difference will be deducted from OCFA's subsequent year payment. OCFA's expenditures for Fiscal Year 2023/24 totaled \$118,000.
- **Pension Funding Annual Deposits to 115 Trust** – OCFA will pay \$2,000,000 per year into an Internal Revenue Code Section 115 Trust (115 Trust) to be established with the Public Agency Retirement Services (PARS), the Orange County Employees Retirement System (OCERS), or another mutually-agreed upon administrator (Trust Administrator). On or prior to July 1, 2019, OCFA will establish the 115 Trust with the Trust Administrator. The annual \$2,000,000 115 Trust payment will be due on July 15 of each fiscal year beginning July 15, 2019, and ending July 15, 2029; however, if OCFA has not funded 85% of its pension liability as determined by OCERS by June 30, 2020, then the required 115 Trust payment will be reduced to \$1,500,000 per fiscal year until OCFA achieves the targeted 85% funding level. The \$500,000 reduction will instead be contributed to OCERS as an additional employer pension contribution. The first 115 Trust payment due on July 15, 2019, will not be reduced even if the 85% target funding has not been achieved. Sub-accounts will be established within the 115 Trust to attribute on a pro-rata basis portions of each payment to Structural Fire Fund members whose revenues were greater than the cost of providing fire services during the prior fiscal year. If OCFA is dissolved in the manner described in California Government Code Section 6508.2, then as part of the dissolution process OCFA will

apportion retirement liabilities among all of its member agencies. The amounts deposited into the 115 Trust and attributed by sub-accounts will not be utilized in making this apportionment calculation. Upon completion of the apportionment calculation, the 115 Trust will be liquidated and the amounts used toward the satisfaction of the portion of liability assigned to such 115 Trust contributing members through the apportionment calculation. OCFA remitted payment(s) to the 115 Trust totaling \$2,000,000 during Fiscal Year 2023/24.

OCFA's remaining financial commitment as of June 30, 2024, under the various provisions of the Settlement Agreement totals approximately \$37,008,000 over the remaining six-year period July 1, 2024, through June 30, 2030, as summarized in the table below.

Settlement Agreement Service Enhancement	OCFA Financial Commitment	
	Ongoing Annual Costs	One-Time Costs
Joint Police-Fire Training Facility and Emergency Operations Center	\$ -	\$20,500,000
Drone Program	500,000	-
Bidirectional Amplifiers	-	500,000
OCFA Training of Irvine Police Department Emergency Medical Technicians	50,000	-
Public Safety Community Emergency Response Team (CERT) Coordinator	118,000	-
Pension Funding Annual Deposits to 115 Trust	<u>2,000,000</u>	<u>-</u>
Total original financial commitment	<u>\$ 2,668,000</u>	<u>\$21,000,000</u>
Total remaining OCFA financial commitment over six fiscal years (Fiscal Year 2024/25 through Fiscal Year 2029/30)	\$16,008,000	\$21,000,000

(b) Commitments for Outstanding Encumbrances

As of June 30, 2024, commitments with vendors for outstanding encumbrances (unperformed purchase orders and contracts for goods and services) by major governmental fund are as follows:

General Fund	\$ 3,862,853
Communications and Information Systems	251,740
Fire Apparatus	24,592,995
Fire Stations and Facilities	<u>9,324,668</u>
Total outstanding encumbrances	<u>\$38,032,256</u>

Significant individual commitments with vendors as of June 30, 2024, are identified below.

Fund / Vendor	Description	Original Commitment	Spent-to-Date	Remaining Commitment
<u>General Fund:</u>				
Presidio Holdings, Inc.	Enterprise phone system upgrade	\$1,810,415	\$ 385,348	\$1,425,067
Blackstone Builders, Inc.	Improvements at Fire Station No. 4 (Irvine)	1,837,716	1,327,164	510,552
Westnet	Alerting systems upgrades at various stations	1,046,391	746,539	299,852
West Coast Arborists, Inc.	Tree removals and treatments	132,008	-	132,008
<u>Communications and Information Systems:</u>				
Firstwatch Solutions, Inc.	Data extraction and analytics	417,548	305,836	111,712
Apploon (The Murdock Corporation)	Urban Search & Rescue warehouse audio visual installation	298,231	207,201	91,030

<u>Fund / Vendor</u>	<u>Description</u>	<u>Original Commitment</u>	<u>Spent-to- Date</u>	<u>Remaining Commitment</u>
<u>Fire Apparatus:</u>				
Fire Apparatus Solutions	(7) Type 1 engines	\$8,555,515	\$ -	\$8,555,515
KME Fire Apparatus	(3) Rear mount trucks	4,476,481	-	4,476,481
KME Fire Apparatus	(4) Type 1 engines	3,111,642	-	3,111,642
Rosenbauer Minnesota, LLC	(2) Hazardous materials vehicles	1,941,261	-	1,941,261
KME Fire Apparatus	(1) Rear mount truck	1,492,160	-	1,492,160
Quinn Company	(1) Dozer	1,030,126	-	1,030,126
Rosenbauer Minnesota, LLC	(1) Heavy rescue vehicle	947,488	-	947,488
KME Fire Apparatus	(1) Type 1 engine	794,111	-	794,111
Johnson Equipment Company	Radio consoles and rear command units	655,619	3,509	652,110
Ward Apparatus, LLC	(2) Ford F-550 ward units	602,466	-	602,466
<u>Fire Stations and Facilities:</u>				
EC Constructors, Inc.	Design/build services for Fire Station No. 24 (Mission Viejo)	15,401,094	7,788,745	7,612,349
Neuroth Construction, Inc.	RFOTC training grounds expansion project	2,347,227	997,500	1,349,727

(c) Pending Litigation and Other Matters

Pending litigation and other matters as of June 30, 2024, include the following:

- On July 2, 2021, Cal/OSHA issued five citations to OCFA resulting from an accident that occurred on October 26, 2020. OCFA submitted its appeal of the citations on July 23, 2021. If OCFA were to pay the citations as issued, the maximum amount of the potential loss would be \$90,500. A \$90,500 potential loss for this contingent legal matter is considered probable and has been recorded in the accompanying financial statements.

(16) Interfund Transfers

Interfund transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them. Interfund transfers for the year ended June 30, 2024, are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 5,431,948	\$19,718,201
Communications and Information Systems	4,500,000	2,000,000
Fire Apparatus	13,218,201	1,431,948
Fire Stations and Facilities	<u>2,000,000</u>	<u>2,000,000</u>
Total	<u>\$25,150,149</u>	<u>\$25,150,149</u>

Transfers totaling \$19,718,201 were made from the General Fund to the Communications and Information Systems Fund (\$4,500,000), the Fire Apparatus Fund (\$13,218,201), and the Fire Stations and Facilities Fund (\$2,000,000) for current and future capital improvement projects identified in the Capital Improvement Program.

Transfers totaling \$1,431,948 were made from the Fire Apparatus Fund to the General Fund to fund the 10% Operating Contingency.

Transfers totaling \$4,000,000 were made from the Communications and Information Systems Fund (\$2,000,000) and the Fire Stations and Facilities Fund (\$2,000,000) to the General Fund to partially fund a roof maintenance project identified in the Capital Improvement Program.

(17) Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2024, is summarized in the table below.

Primary Government/ Governmental Activities	Beginning Balances	Additions	Deletions	Ending Balances	Due Within One Year
Net pension liability:					
OCERS pension plan	\$279,060,590	\$ -	\$(110,602,912)	\$168,457,678	\$ -
Extra Help pension plan	675	-	(412)	263	-
	279,061,265	-	(110,603,324)	168,457,941	-
Net OPEB liability	111,599,764	-	(12,362,157)	99,237,607	-
Compensated absences	20,749,347	20,914,613	(19,398,188)	22,265,772	5,105,273
Accrued claims and judgments for workers' compensation	139,907,214	21,604,725	(17,970,884)	143,541,055	18,437,646
Lease liabilities	10,734,307	-	(5,887,135)	4,847,172	27,973
Subscription liabilities	-	268,002	(230,764)	37,238	18,213
Financed purchase agreement	57,882,120	-	(2,770,492)	55,111,628	3,195,458
Total	<u>\$619,934,017</u>	<u>\$42,787,340</u>	<u>\$(169,222,944)</u>	<u>\$493,498,413</u>	<u>\$26,784,563</u>

The financed purchase agreement liability is liquidated by the Fire Apparatus Fund. All other long-term liabilities are normally liquidated by the General Fund.

(18) Compensated Absences

OCFA is obligated to its employees for accumulated earned but unused leave benefits as of June 30, 2024. Sick leave includes only those amounts that OCFA is obligated to reimburse employees at the end of their active service life. Leave balances by employee type are as follows as of June 30, 2024:

	Vacation	Comp/Other	Sick Leave	Total
Safety Members	\$13,416,568	\$224,760	\$2,707,544	\$16,348,872
General Members	3,210,789	696,930	2,009,181	5,916,900
Total	<u>\$16,627,357</u>	<u>\$921,690</u>	<u>\$4,716,725</u>	<u>\$22,265,772</u>

(19) Insurance and Accrued Claims and Judgments

(a) Insurance Coverage Limits

OCFA has purchased commercial insurance coverage for general and auto liabilities, and excess coverage for the self-insured workers compensation. Coverage limits for Fiscal Year 2023/24 included the following:

Property:	
Real Property (Building)	Guaranteed Replacement Cost
Personal Property (Contents)	Per Schedule on File with the Carrier
Deductible	\$1,000 - \$5,000
Crime:	
Employee Dishonesty	\$1,000,000
Forgery or Alteration	\$1,000,000
Faithful Performance of Duty	\$1,000,000
Computer Fraud	\$1,000,000
Deductible	\$1,000
Portable Equipment:	
Valuation	Guaranteed Replacement Cost
Deductible	\$1,000
General Liability:	
Each Occurrence	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Fire Damage Legal Liability	\$1,000,000
Medical Expense (each accident)	\$10,000
Garage Keepers Liability	\$500,000
General Annual Aggregate	\$10,000,000
Management Liability:	
Each Wrongful Act	\$1,000,000
General Annual Aggregate	\$10,000,000
Defense Expense Injunctive Relief	\$50,000
Deductible Each Wrongful Act	\$250,000
Automobile:	
Bodily Injury or Property Damage	\$1,000,000
Uninsured/Underinsured Motorist	\$1,000,000
Automobile Physical Damage	Agreed Value on File with Carrier
Deductible	\$1,000 Passenger Vehicles; \$5,000 Apparatus
Cyber Liability:	
First Party Liability	\$100,000
Third Party Liability	\$1,000,000
Umbrella (Excess) Liability:	
Each Occurrence or Wrongful Act	\$9,000,000
General Aggregate	\$20,000,000
Excess Workers Compensation	Statutory Limits

Settlements have not exceeded coverage in each of the past three fiscal years.

(b) Workers' Compensation Self-Insurance

OCFA transitioned its program for workers' compensation insurance from Guaranteed Cost to Self-Insurance effective March 1, 2002. OCFA's self-insurance program covers workers' compensation claims up to \$50,000,000, subject to a \$2,000,000 self-insured retention (SIR) per incident. Workers' compensation claims in excess of the self-insured level are insured by the California State Association of Counties Excess Insurance Authority (CSAC-EIA) at statutory limits. OCFA utilizes the services of a third-party claims administrator for administration of workers' compensation claims.

As of June 30, 2024, accrued claims and judgments for workers' compensation totaled \$143,541,055 and were recorded as a long-term liability in the government-wide financial statements. This liability reflects the present value of estimated outstanding losses at the 50% confidence level, as determined by an actuarial valuation dated June 30, 2024, and includes claims that have been incurred but not yet reported (IBNR's). A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, a 50% confidence level means that the actuary believes funding will be sufficient in five years out of ten. On May 27, 2010, the Board of Directors authorized to change the OCFA's confidence

level from 80% to 50%. Changes in accrued claims and judgments relating to workers' compensation self-insurance for the years ended June 30, 2024 and 2023, are as follows:

Primary Government/ Governmental Activities	Fiscal Year Ended	
	June 30, 2024	June 30, 2023
Unpaid claims at beginning of fiscal year	\$139,907,214	\$127,833,360
Incurred claims (including IBNR's)	21,604,725	27,202,953
Claim payments	<u>(17,970,884)</u>	<u>(15,129,099)</u>
Unpaid claims at end of fiscal year	<u>\$143,541,055</u>	<u>\$139,907,214</u>
Due within one year	\$ 18,437,646	\$ 16,558,042
Due in more than one year	<u>125,103,409</u>	<u>123,349,172</u>
Unpaid claims at end of fiscal year	<u>\$143,541,055</u>	<u>\$139,907,214</u>
Confidence level at end of fiscal year	50%	50%
Discount rate	4%	2%

Because of the long-term nature of this liability, it is excluded from the OCFA's governmental fund financial statements under the modified accrual basis of accounting. However, OCFA has established a fund balance assignment for workers' compensation in the General Fund in the amount of \$164,780,297. This assignment reflects the cumulative difference for multiple years between actual expenditures and budgeted costs, which are based on the annual actuarial valuation. Actual expenditures for workers' compensation cases often occur over multiple years, attributing to the cumulative difference between budgeted costs and expenditures.

(20) Lessee in Lease Agreements (Lease Liabilities)

(a) General Information about the Leases

OCFA was obligated as a lessee under the following lease agreements during the year ended June 30, 2024:

Lease Terms	Helicopter Tower	Aircraft	Land Lease
Lessor	FW Aviation, LLC	Coulson Aviation (USA) Inc.	City of Fullerton
Purpose	Helicopter tower at Fullerton Airport for training and storage	Aircraft for use in Quick Reaction Force Program (CH-47 Very Large Helitanker; S-61 Helitanker; S-76 Aerial Supervision Aircraft)	Real property land lease at Fullerton Airport
Major Class of Underlying Assets	Right-to-use lease buildings	Right-to-use lease equipment	Right-to-use lease land
Lease Date	August 25, 2011; Amended September 1, 2021	June 23, 2022; Amended December 16, 2022	June 14, 2010
Initial Lease Term	Ten years commencing September 2011 through August 2021	June 24, 2022 – December 31, 2023 (556 days), as amended	Forty years commencing January 2011 (Eastern Half) and July 2013 (Western Half) through December 2050
Optional Extended Lease Term	Ten-year option to extend for a total of twenty years through August 2031	N/A	Fifteen-year option to extend for a total of fifty-five years through December 2065

Lease Terms	Helicopter Tower	Aircraft	Land Lease
Initial Lease Payment	Monthly payments totaling \$1,575 consisting of base rent (\$1,308) and common area (\$267)	Boeing CH-47 \$33,600/day (June 24, 2022 – October 31, 2022) Sikorsky S-61 \$22,050/day (November 1, 2022 – December 6, 2022 substitute) Sikorsky S-76 \$10,500/day (July 1, 2022 – December 12, 2022)	Monthly payments of \$2,886 (Eastern Half) and \$2,070 (Western Half)
Amended Lease Payment	Monthly payments totaling \$1,755 consisting of base rent (\$1,480) and common area (\$285)	Boeing CH-47 \$24,382/day (December 6, 2022 – December 31, 2023) Sikorsky S-61 \$24,386/day (December 7, 2022 – December 31, 2023 substitute) Sikorsky S-76 \$7,760/day (December 13, 2022 – December 31, 2023)	N/A
Rent Increases	Base rent increases annually by \$18 for the first ten years. Base rent increases 2.5% per year beginning September 2022. Common area rent increases 5.0% beginning September 2022 and 3.0% annually beginning September 2023.	N/A	Increase annually by an amount equal to the change in the consumer price index, for a minimum of 3% to a maximum of 5%
Adjusted Lease Payment as of June 30, 2024	\$1,854 monthly	\$996,524 for December 2023	\$7,360 monthly
Due Date	Monthly on the 1 st	Billed weekly and due within 14 days from receipt of invoice	Payable monthly in advance on the 1 st
Interest Rate	0.50%	3.12%	1.79%
Other Variable Payments Not Included in the Measurement of the Lease Liability	None	Flight hours billed separately: Boeing CH-47 \$9,007 - \$10,462/hour; Sikorsky S-61 \$5,420 - \$6,083/hour; Sikorsky S-76 \$3,841 - \$3,969/hour	None

(b) Right-to-Use Lease Assets

Right-to-use lease assets included the following as of June 30, 2024:

Lease	Major Class of Underlying Assets	Amount of Lease Capital Assets	Accumulated Amortization
Helicopter tower	Right-to-use lease buildings	\$ 251,578	\$ 89,202
Land lease	Right-to-use lease land	<u>4,679,622</u>	<u>416,064</u>
Total		<u>\$4,931,200</u>	<u>\$505,266</u>

The lease agreement with Coulson Aviation (USA) Inc. expired December 31, 2023, and OCFA recognized a disposal of related aircraft (right-to-use lease equipment) totaling \$18,711,118. In addition, OCFA disposed of copiers (right-to-use lease equipment) totaling \$174,672 upon their return to Cell Business Equipment during Fiscal Year 2023/24.

(c) Outflows of Resources for Variable Payments

Outflows of resources recognized in Fiscal Year 2023/24 for variable payments not included in the measurement of the lease liability consisted of the following:

Outflows of Resources	Amount
Aircraft flight hours	\$774,565

(d) Principal and Interest Requirements

Future principal and interest requirements to maturity for each lease liability as of June 30, 2024, are as follows:

Helicopter Tower			
Fiscal Year(s)	Principal	Interest	Total
2024/25	\$ 21,906	\$ 822	\$ 22,728
2025/26	22,614	710	23,324
2026/27	23,340	594	23,934
2027/28	24,081	475	24,556
2028/29	24,838	352	25,190
2029/30 - 2033/34	<u>56,480</u>	<u>320</u>	<u>56,800</u>
Total	<u>\$173,259</u>	<u>\$3,273</u>	<u>\$176,532</u>

Land Lease			
Fiscal Year(s)	Principal	Interest	Total
2024/25	\$ 6,067	\$ 76,686	\$ 82,753
2025/26	9,452	83,524	92,976
2026/27	12,432	83,328	95,760
2027/28	15,548	83,080	98,628
2028/29	18,821	82,771	101,592
2029/30 - 2033/34	148,431	407,109	555,540
2034/35 - 2038/39	254,711	389,305	644,016
2039/40 - 2043/44	385,717	360,923	746,640
2044/45 - 2048/49	545,950	319,562	865,512
2049/50 - 2053/54	740,960	262,360	1,003,320
2054/55 - 2058/59	977,217	185,931	1,163,148
2059/60 - 2063/64	1,264,175	84,229	1,348,404
2064/65 - 2068/69	<u>294,432</u>	<u>-</u>	<u>294,432</u>
Total	<u>\$4,673,913</u>	<u>\$2,418,808</u>	<u>\$7,092,721</u>

(21) Subscription Liabilities

(a) General Information about the Subscriptions

On February 29, 2024, OCFA entered into two software subscriptions for use in conjunction with a new Cisco Enterprise Phone System. The subscriptions include 960 Enterprise On-Premises Calling licenses and 745 CUBE Enhanced Trunk Session licenses. Both subscription terms totaling \$210,764 are for three years commencing April 30, 2024. Payments totaling \$210,764 for the full three-year term were paid in advance during Fiscal Year 2023/24.

On April 9, 2024, OCFA entered into a software subscription for Secure Link Vendor Privileged Access Management (VPAM), a cloud-based software for remote access to secure third-party access and connectivity. The subscription includes 15 licenses totaling \$57,238 for a three-year term commencing April 22, 2024. OCFA is required to make \$20,000 annual fixed payments. A payment totaling \$20,000 for the first year of the term was paid in advance during Fiscal Year 2023/24.

All new Fiscal Year 2023/24 subscription liabilities were calculated using an implicit interest rate of 4.80%.

(b) Right-to-Use Subscription Assets

Right-to-use subscription assets included the following as of June 30, 2024:

Subscription	Major Class of Underlying Assets	Amount of Subscription Capital Assets	Accumulated Amortization
Enterprise On-Premises Calling	Right-to-use subscription equipment	\$153,101	\$ 8,508
CUBE Enhanced Trunk Session	Right-to-use subscription equipment	57,663	3,206
Secure Link VPAM	Right-to-use subscription equipment	<u>57,238</u>	<u>19,092</u>
Total		<u>\$268,002</u>	<u>\$30,806</u>

(c) Principal and Interest Requirements

Initial subscription liabilities totaling \$210,764 were recorded for the Enterprise On-Premises Calling and CUBE Enhanced Trunk Session licenses. OCFA paid the full subscription obligations in advance during Fiscal Year 2023/24; thus, the value of the subscription liabilities as of June 30, 2024, was \$0.

Future principal and interest requirements to maturity for the Secure Link VPAM subscription liability as of June 30, 2024, is as follows:

Secure Link VPAM Subscription			
Fiscal Year(s)	Principal	Interest	Total
2024/25	\$18,213	\$1,787	\$20,000
2025/26	<u>19,025</u>	<u>975</u>	<u>20,000</u>
Total	<u>\$37,238</u>	<u>\$2,762</u>	<u>\$40,000</u>

(22) Financed Purchase Agreement – 2022

On November 3, 2022, OCFA entered into a Financed Purchase Agreement (Agreement) with Banc of America Public Capital Corp (Banc of America) for financing in the amount of \$57,882,120. Under the terms of the Agreement, the net debt proceeds were deposited into an escrow account at Wilmington Trust for the purpose of acquiring and installing two Sikorsky S-70 Type 1 Firehawk helicopters and related equipment, as well as for related training.

Under the terms of the Agreement, Banc of America leases the equipment to OCFA at an annual interest rate of 3.1379%. Rental payments are payable annually commencing January 10, 2024. Title to the equipment vests with OCFA during the term of the

Agreement; accordingly, the Agreement has been recorded as a long-term liability of OCFA. During the year ended June 30, 2024, OCFA made principal payments totaling \$2,770,492. The outstanding balance of financed purchase agreement liability was \$55,111,628 as of June 30, 2024. The annual payment requirements as of June 30, 2024, are as follows:

Financed Purchase Agreement			
Fiscal Year	Principal	Interest	Total
2024/25	\$ 3,195,458	\$ 1,729,348	\$ 4,924,806
2025/26	3,295,729	1,629,077	4,924,806
2026/27	3,399,145	1,525,661	4,924,806
2027/28	3,505,807	1,418,999	4,924,806
2028/29	3,615,816	1,308,990	4,924,806
2029/30	3,729,276	1,195,530	4,924,806
2030/31	3,846,297	1,078,509	4,924,806
2031/32	3,966,990	957,816	4,924,806
2032/33	4,091,470	833,336	4,924,806
2033/34	4,219,857	704,949	4,924,806
2034/35	4,352,272	572,534	4,924,806
2035/36	4,488,842	435,964	4,924,806
2036/37	4,629,697	295,109	4,924,806
2037/38	<u>4,774,972</u>	<u>149,834</u>	<u>4,924,806</u>
Total	<u>\$55,111,628</u>	<u>\$13,835,656</u>	<u>\$68,947,284</u>

During Fiscal Year 2023/24, OCFA recognized the following debt-funded expenditures in the Fire Apparatus Fund:

Description	Helicopters	Training	Total
Landing gear installation	\$ 2,592,667	\$ -	\$ 2,592,667
Final delivery and sales tax	8,581,729	-	8,581,729
Training courses	-	<u>962,170</u>	<u>962,170</u>
Total	<u>\$11,174,396</u>	<u>\$962,170</u>	<u>\$12,136,566</u>

The escrow account had a balance of \$9,442,807 as of June 30, 2024. The helicopters have been capitalized as equipment totaling \$57,017,460 in the government-wide financial statements.

(23) Summary of Pension Plans and Other Postemployment Benefits (OPEB)

OCFA participates in two defined benefit pension plans that are administered through a trust or equivalent arrangement. Additional plan information is provided within these notes as Note 24 and Note 25. OCFA also provides other postemployment benefits (OPEB) through the Retiree Medical Plan. Additional plan information is provided within these notes as Note 26. Following is a summary of plan balances as of and for the year ended June 30, 2024:

Description	Net Pension/ OPEB Liability	Deferred Outflows of Resources Related to Pensions/ OPEB	Deferred Inflows of Resources Related to Pensions/ OPEB	Pension/ OPEB Expense (Credit)
OCERS Pension Plan	\$168,457,678	\$148,742,016	\$32,700,524	\$32,294,538
Extra Help Pension Plan	<u>263</u>	<u>560</u>	<u>-</u>	<u>256</u>
Subtotal	168,457,941	148,742,576	32,700,524	32,294,794
OPEB	<u>99,237,607</u>	<u>38,470,762</u>	<u>47,437,151</u>	<u>(28,218,836)</u>
Total	<u>\$267,695,548</u>	<u>\$187,213,338</u>	<u>\$80,137,675</u>	<u>\$ 4,075,958</u>

(24) Retirement Plan for Full-Time Employees

(a) General Information about the Plan

Plan Description and Administration

OCFA participates in the Orange County Employees Retirement System (OCERS), a cost-sharing multiple-employer, defined benefit pension plan for the County of Orange, the City of San Juan Capistrano, and thirteen other agencies – Orange County Cemetery District; Orange County Children and Families Commission; Orange County Department of Education; Orange County Employees Retirement System; Orange County Fire Authority (OCFA); Orange County In-Home Supportive Services Public Authority; Orange County Local Agency Formation Commission; Orange County Public Law Library; Orange County Sanitation District; Superior Court of California; Orange County Transportation Authority; Transportation Corridor Agencies; and the University of California, Irvine Medical Center and Campus. The Orange County Department of Education and the University of California, Irvine Medical Center and Campus are closed to new member participation and only the latter has remaining active employees. Capistrano Beach, Cypress Recreation & Parks District, Orange County Vector Control District, and the City of Rancho Santa Margarita are no longer active plan sponsors, but retired members and their beneficiaries, as well as deferred members, remain in the OCERS system. OCERS is legally and fiscally independent of the County of Orange.

OCERS was established in 1945 under the provisions of the County Employees Retirement Law of 1937. OCERS is governed by a ten-member Board of Retirement, including nine voting members and one alternate member. Board membership consists of four members appointed by the County of Orange Board of Supervisors and five members elected by the members of the pension system – two by the general members, two by the safety members (one voting and one alternate), and one by the retired members. The County of Orange Treasurer-Tax Collector, who is elected by the voters registered in the county, serves as an ex-officio member. The OCERS Board of Retirement is responsible for establishing policies governing the administration of the retirement plan; making disability determinations; assuring benefit payments; establishing investment policy for the retirement system; and monitoring execution of its policies. OCERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost-sharing plans that are administered by OCERS. The report can be obtained from OCERS at 2223 Wellington Avenue, Santa Ana, California 92701.

Benefits Provided

OCERS provides retirement, disability, and death benefits to safety and general members. Safety membership includes those members serving in active law enforcement, fire suppression, and as probation officers. General membership applies to all other occupations. Plan retirement benefits are tiered based upon date of OCERS membership. Tier I members were hired prior to September 21, 1979, and use their highest one-year average salary to determine their retirement allowance. Tier II members were hired on or after September 21, 1979, and use their highest three-year average salary to determine their retirement allowance. Member rate groups are determined by employer, bargaining unit, and benefit plan. The benefit plan represents the benefit formula and tier that will be used in calculating a retirement benefit. All regular employees scheduled to work twenty hours or more per week become members of the plan upon commencing employment with one of OCERS' plan sponsors, with the exception of a provision adopted in 2014 that allows new members over the age of 65 to opt out of the plan. Active members are vested in OCERS upon accumulating five years of accredited service or attaining the age of 70.

On September 12, 2012, California Governor Brown signed Assembly Bill 340, which created the California Public Employees' Pension Reform Act of 2012 (PEPRA) and amended sections of the 1937 Act under which OCERS operates. The law created a benefit tier for new employees entering public agency employment and public retirement system membership, effective January 1, 2013. One of the many changes brought about by PEPRA involved new retirement formulas for newly hired employees who do not establish reciprocity with OCERS. Another change brought about by PEPRA requires employees who do not establish reciprocity to pay 50% of the normal retirement costs from the beginning of their employment.

In general, the retirement benefits received by members are determined by plan formula, age at retirement, years of service, and final average salary. Members are entitled to receive a retirement allowance upon reaching the following years of service and age criteria:

Years of Service Credit	Eligible Age
10 or more	Age 50
5 or more (PEPRA Members)	Age 50
30 or more (General Members)	Any age
20 or more (Safety Members)	Any age
5 or more, and at least 10 years of active employment with a sponsoring agency covered by OCERS (Part-time Members)	Age 55
Any	Age 70

Retired member monthly allowances are adjusted annually in accordance with changes in the cost-of-living, as determined by the average annual change in the Consumer Price Index (CPI) for the prior calendar year. The cost-of-living adjustment is limited to a maximum increase or decrease of three percent per year as established by the OCERS Board of Retirement.

The OCFA's Board establishes and amends benefit plan formulas for active OCFA members through negotiations with its labor bargaining units. The provisions and benefits provided by OCFA to its safety and general members as of June 30, 2024, are summarized below:

Benefits Provided to Safety Members					
Plan	Tier	Benefit Formula	Representation / Bargaining Unit / Employee Hire Date		
			Orange County Professional Firefighters Association	Orange County Fire Authority Chief Officers Association	Unrepresented
			Firefighter Unit	Fire Management Unit	Executive Management in Safety Positions
F	II	3.0% at 50	Prior to 7/1/2012	Prior to 7/1/2012	Prior to 7/1/2011
R	II	3.0% at 55	On or After 7/1/2012 (with reciprocity)	On or After 7/1/2012 (with reciprocity)	On or After 7/1/2011 (with reciprocity)
V	II	2.7% at 57 (PEPRA)	On or After 1/1/2013 (without reciprocity)	On or After 1/1/2013 (without reciprocity)	On or After 1/1/2013 (without reciprocity)

Benefits Provided to General Members					
Plan	Tier	Benefit Formula	Representation / Bargaining Unit / Employee Hire Date		
			Orange County Employees Association	Orange County Fire Authority Managers Association	Unrepresented
			General and Supervisory Management	Administrative Management	Executive Management in General Positions
J	II	2.7% at 55	Prior to 7/1/2011	Prior to 12/1/2012	Prior to 12/1/2012
N	II	2.0% at 55	On or After 7/1/2011 (with reciprocity)	On or After 12/1/2012 (with reciprocity)	On or After 12/1/2012 (with reciprocity)
U	II	2.5% at 67 (PEPRA)	On or After 1/1/2013 (without reciprocity)	On or After 1/1/2013 (without reciprocity)	On or After 1/1/2013 (without reciprocity)

Contributions

Each year, an actuarial valuation is performed for OCERS to determine funding contributions for each agency member within their assigned rate group and plan on an actuarial basis. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability (UAAL). The table below summarizes OCFA's required employer contribution rates and employee rates (remitted by OCFA) for the year ended June 30, 2024:

Category	Plan	Tier	Benefit Formula	Employer Contribution Rates			Employee Contribution Rates (See Below)
				Normal Cost	UAAL	Total	
Safety	F	II	3.0% at 50	27.09%	12.35%	39.44%	14.79% - 21.26%
Safety	R	II	3.0% at 55	26.65%	12.35%	39.00%	14.87% - 21.37%
Safety	V	II	2.7% at 57 (PEPRA)	15.29%	12.35%	27.64%	12.74% - 20.49%
General	J	II	2.7% at 55	15.25%	9.37%	24.62%	9.92% - 17.19%
General	N	II	2.0% at 55	16.98%	9.37%	26.35%	7.98% - 15.10%
General	U	II	2.5% at 67 (PEPRA)	9.87%	9.37%	19.24%	7.90% - 15.26%

Employees in each unit have agreed through their respective Memorandums of Understanding or Personnel and Salary Resolution to pay their full employee share of retirement costs. The retirement payment is deducted from the employee's compensation earnable and continues throughout the employee's entire term of employment with OCFA. Employee contribution rates vary depending on the individual employee's hire date and unit and are summarized below for the year ended June 30, 2024.

Employee Hire Date	Benefit Formula	Employee Contribution Rate
<i>Safety – Firefighter Unit</i>		
Prior to 1/1/2011	3.0% at 50	50% of Normal Cost [^] , Less a 2% Health Care Converted Retirement Contribution (HCRC)
1/1/2011 - 6/30/2012	3.0% at 50	50% of Normal Cost [^]
On or After 7/1/2012 (with reciprocity)	3.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.7% at 57 (PEPRA)	50% of Normal Cost [^]
<i>Safety – Firefighter Management Unit</i>		
Prior to 7/1/2012	3.0% at 50	50% of Normal Cost [^]
On or After 7/1/2012 (with reciprocity)	3.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.7% at 57 (PEPRA)	50% of Normal Cost [^]
<i>Safety – Executive Management</i>		
Prior to 7/1/2011	3.0% at 50	50% of Normal Cost [^]
On or After 7/1/2011 (with reciprocity)	3.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.7% at 57 (PEPRA)	50% of Normal Cost [^]
<i>General – General and Supervisory Management</i>		
Prior to 7/1/2011	2.7% at 55	50% of Normal Cost [^]
On or After 7/1/2011 (with reciprocity)	2.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.5% at 67 (PEPRA)	50% of Normal Cost [^]
<i>General – Administrative Management</i>		
Prior to 12/1/2012	2.7% at 55	50% of Normal Cost [^]
On or After 12/1/2012 (with reciprocity)	2.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.5% at 67 (PEPRA)	50% of Normal Cost [^]
<i>General – Executive Management</i>		
Prior to 12/1/2012	2.7% at 55	50% of Normal Cost [^]
On or After 12/1/2012 (with reciprocity)	2.0% at 55	
On or After 1/1/2013 (without reciprocity)	2.5% at 67 (PEPRA)	50% of Normal Cost [^]

[^] Capped at maximum employee contribution as required by OCERS

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For the year ended June 30, 2024, employer and employee contributions remitted to OCERS were as follows:

	Employer Contributions	Employee Contributions	Total Contributions
Contributions paid (credited) by OCFA	\$82,238,266	\$ -	\$ 82,238,266
Contributions paid by employees	-	31,405,223	31,405,223
Total	<u>\$82,238,266</u>	<u>\$31,405,223</u>	<u>\$113,643,489</u>

(b) Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources

OCFA's net pension liability (asset) with OCERS is measured as the proportionate share of the net pension liability (asset). The net pension liability (asset) of each member agency is measured as of December 31, 2023, and the total pension liability (asset) for each member agency used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023, using standard update procedures. OCFA's proportion of the net pension liability (asset) was based on a projection of OCFA's long-term share of contributions to the pension plan relative to the projected contributions of all participating agencies, actuarially determined.

OCFA's proportionate share of the total OCERS net pension liability (asset) as of June 30, 2024, and 2023 was as follows:

Member Type	OCFA's Proportionate Share of the Total OCERS Net Pension Liability (Asset)					
	At June 30, 2023		Increase (Decrease)		At June 30, 2024	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Safety	\$241,504,944	4.5%	\$(100,786,034)	-1.6%	\$140,718,910	2.9%
General	37,555,646	0.7%	(9,816,878)	-0.1%	27,738,768	0.6%
Total	<u>\$279,060,590</u>	<u>5.2%</u>	<u>\$(110,602,912)</u>	<u>-1.7%</u>	<u>\$168,457,678</u>	<u>3.5%</u>

For the year ended June 30, 2024, OCFA recognized pension expense (credit) of \$32,294,538. At June 30, 2024, OCFA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience in the Total Pension Liability	\$ 40,056,478	\$(13,281,661)
Changes in assumptions	3,185,426	(19,418,863)
Net differences between projected and actual earnings on plan investments	<u>49,581,112</u>	-
	92,823,016	(32,700,524)
Employer contributions subsequent to measurement date	<u>55,919,000</u>	-
Total	<u>\$148,742,016</u>	<u>\$(32,700,524)</u>

Deferred outflows of resources related to contributions subsequent to the measurement date totaling \$55,919,000 will be recognized as a reduction of (addition to) the net pension liability (asset) in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will also be recognized as an adjustment to pension expense as follows:

Year Ended June 30	Amount
2025	\$(4,354,524)
2026	14,776,701
2027	65,244,858
2028	(16,583,091)
2029	<u>1,038,548</u>
Total	<u>\$60,122,492</u>

(c) Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2022	
Measurement Date	December 31, 2023, rolled forward on an actuarial basis	
Actuarial Cost Method	Entry age actuarial cost method (normal)	
Discount rate	7.00%	
Inflation	2.50%	
Investment rate of return	7.00%, net of pension plan investment expense, including inflation	
Salary increases	Across the board salary increases of 0.50%, adjusted for inflation at 2.5% per year, plus merit and promotion increases that vary by type and years of service, including 4.50% - 15.0% (Safety) and 3.90% - 8.00% (General)	
Date of experience study	Actuarial assumptions were based on the results of an experience study dated August 11, 2023 for the period January 1, 2020, through December 31, 2022.	
Mortality:	The Pub-2010 mortality tables and adjustments as shown below reflect the mortality experience as of the measurement date. The generational projection is a provision for future mortality improvement.	
	Safety	General
• Healthy	Pub-2010 Safety Retiree Amount-Weighted Above-Median Mortality Table (male and female), projected generationally with the two-dimensional mortality improvement scale MP-2021	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (male and female) with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2021
• Disabled	Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (male and female), projected generationally with the two-dimensional mortality improvement scale MP-2021	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (male and female) with rates decreased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2021
• Beneficiaries	Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table (male and female) with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2021.	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.00% and 7.00% as of December 31, 2023, and December 31, 2022, respectively. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2023, and December 31, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation, and subtracting expected investment expenses and a risk margin.

The target allocation (approved by the OCERS Retirement Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bonds	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.7%	3.24%
Special Situations Lending	<u>1.50%</u>	8.96%
Total	<u>100.0%</u>	6.55%

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents OCFA's proportionate share of the net pension liability (asset) with OCERS, calculated using the discount rate of 7.00%, as well as what OCFA's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Total proportionate share of net pension liability (asset)	<u>\$533,655,246</u>	<u>\$168,457,678</u>	<u>\$(130,081,574)</u>

(d) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OCERS financial report.

(25) Retirement Plan for Part-Time Employees

(a) General Information About the Plan

Plan Description and Administration

OCFA administers the Extra Help Retirement Plan (Plan), a single-employer defined benefit pension plan that provides retirement benefits for its less than half-time and extra help employees. The Plan was established on January 1, 1997, and is accounted for in the Extra Help Retirement Plan fiduciary fund. The Board establishes and amends all Plan provisions, and has the authority to change contribution rates and investment types. A separate, audited pension plan report is not available. Effective July 1, 2018, the Plan is closed to new entrants and all eligible extra help employees

hired by OCFA are enrolled as participants in a 457(OBRA) Deferred Compensation Plan in lieu of the Extra Help Retirement Plan.

Benefits Provided

The Plan provides retirement benefits in the form of a lifetime annuity. Retirement benefits are calculated at the rate of 2% of career earnings during the first thirty years of credited service. Upon retirement, participants are eligible to receive their benefit either as a lump sum payment or as a monthly payment. If employment with OCFA is terminated prior to retirement and the value of the employee's contributions with interest is \$3,500 or less, the employee may receive an immediate lump sum distribution in lieu of any future benefits payable under the Plan. If the value of the terminated employee's contributions with interest exceeds \$3,500, the employee may elect to receive a lump sum distribution or leave the contributions on deposit until he or she reaches retirement age. During the year ended June 30, 2024, there were no lump sum distributions made to participants. Currently, there are no participants collecting retirement benefits.

Plan Membership

As of June 30, 2024, Plan membership consisted of the following:

Plan Members (or Beneficiaries)	Balance as of June 30, 2024		
	\$3,500 or Less	More than \$3,500	Total
Inactive; entitled to but not yet receiving benefits	<u>31</u>	<u>1</u>	<u>32</u>
Total	<u>31</u>	<u>1</u>	<u>32</u>

Contributions

All eligible half-time and extra help employees hired on or after January 1, 1997, are required to contribute a percentage of compensation corresponding to an age-based table included in the Plan. Age is determined as attained age on every January 1. Employee contributions rates range from 2.5% to 7.5% based on age. After 30 years of credited service, OCFA is responsible for the employee's Plan contributions. As of June 30, 2024, there are no longer any active participants contributing to the Plan.

Cumulative employee contributions are credited with 5% interest compounded semi-annually. Any interest earnings credited to the Plan in excess of actual investment earnings are reported as employer contributions. During the year ended June 30, 2024, employer contributions totaled \$177.

(b) Investments

Method Used to Value Investments

All Plan assets are invested in the Local Agency Investment Fund (LAIF), which is reported based on OCFA's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

Investment Policy

Contributions are deposited into OCFA's Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. Additional LAIF information is provided within these notes as Note 4(d).

Concentrations

All Plan assets are invested in the Local Agency Investment Fund (LAIF).

(c) Net Pension Liability

Net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The Plan's fiduciary net pension liability is measured as of June 30, 2024, using an actuarial valuation as of January 1, 2024, rolled forward to June 30, 2024, using standard update procedures. A summary of components of the Plan's net pension liability as of June 30, 2024, is shown below, followed by principal assumptions and methods used to determine the net pension liability.

Total pension liability	\$19,761
Plan fiduciary net position	<u>(19,498)</u>
Net pension liability	<u>\$ 263</u>

Plan fiduciary net position as a % of the total pension liability	98.67%
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Actuarial Assumptions

Actuarial calculations reflect a long-term perspective. Calculations are based on the benefits provided under the terms of the Plan in effect at the time of each valuation and on the pattern of sharing of costs between the OCFA and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	January 1, 2024
Measurement Date	June 30, 2024, rolled forward on an actuarial basis
Actuarial Cost Method	Entry age normal
Discount rate	4.05% per annum; average (rounded to 5 basis points) of three 20-year municipal bond rate indices as of June 30, 2024: S&P Municipal Bond 20-Year High Grade Rate Index, Bond-Buyer 20-Bond GO Index, and 20-Year Yield of the Fidelity Municipal General Obligation AA Curve
Inflation	2.75%
Investment rate of return	4.05%
Mortality	PubS2010 mortality table with generational improvements based on the MP-2021 scale. As the plan is not large enough to have credible experience, mortality assumptions are set to reflect general population trends.
Experience study	Given the size of the plan, there was not enough data available to conduct a credible experience study. The assumptions are not anticipated to produce significant cumulative actuarial gains or losses over time. Liabilities and data are analyzed each year in order to identify any trends of experience deviating from the actuarial assumptions.
Form of payment	Participants who have 5 years or less of credited service or have a contribution balance less than or equal to \$3,500 are assumed to take an immediate lump sum upon termination or retirement. Participants who have worked more than 5 years or have attained age 55 are assumed to commence a modified cash refund annuity starting at age 65. As the plan is not large enough to have credible experience, forms of payment are based on professional judgment and expectations based on the provisions of the plan.
Retirement	100% retirement at age 65. Due to the size of the plan, use of an assumption more than a single point estimate is not merited.
Termination	Service 0 years, Rate 30%; Service 1-3 years, Rate 50%; Service 4 years, Rate 25%; Service 5+ years, Rate 5%

Plan Assets	The employee contributions are deposited into the Authority's LAIF account. The LAIF account is managed by the State Treasurer's Office and is invested in fixed income securities.
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Changes of Assumptions

Following is a comparison of actuarial assumptions for the years ended June 30, 2024, and 2023:

	As of June 30, 2024	As of June 30, 2023	Change
Discount rate	4.05%	3.90%	0.15%
Inflation	2.75%	2.75%	n/a
Investment rate of return	4.05%	3.90%	0.15%
Salary increases	n/a	n/a	n/a

Discount Rate

The discount rate used to measure the total pension liability was 4.05% (an increase of 0.15% since the prior measurement date). The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Professional judgment on future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Local Agency Investment Fund	100.00%	4.05%

The annual money-weighted rate of return was 5.05%, and was an estimate based on mid-year timing of contributions and benefit payments. The money rated rate of return expresses investment performance, net of pension plan investment expenses, adjusted for changing amounts actually invested.

(d) Changes in the Net Pension Liability

Changes in the Plan's net pension liability for the year ended June 30, 2024, were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/ (Asset)
Balance at June 30, 2023	<u>\$19,233</u>	<u>\$18,558</u>	<u>\$675</u>
Changes in the year:			
Interest	750	-	750
Differences between expected and actual experience	(103)	-	(103)
Changes of assumptions	(119)	-	(119)
Contributions – employer	-	177	(177)
Net investment income	-	<u>763</u>	<u>(763)</u>
Net changes	<u>528</u>	<u>940</u>	<u>(412)</u>
Balance at June 30, 2024	<u>\$19,761</u>	<u>\$19,498</u>	<u>\$263</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability (asset), calculated using the discount rate of 4.05%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (3.05%) or one percentage point higher (5.05%) than the current rate:

	1% Decrease (3.05%)	Current Discount Rate (4.05%)	1% Increase (5.05%)
Net pension liability	<u>\$1,296</u>	<u>\$263</u>	<u>\$(482)</u>

(e) Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2024, OCFA recognized pension expense (credit) of \$256. At June 30, 2024, OCFA reported deferred outflows of resources related to pensions from the following source:

	Deferred Outflows of Resources
Net differences between projected and actual earnings on plan investments	<u>\$560</u>
Total	<u>\$560</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized as an adjustment to pension expense as follows:

Year Ended June 30	Amount
2025	\$369
2026	186
2027	13
2028	<u>(8)</u>
Total	<u>\$560</u>

(f) Pension Plan Fiduciary Net Position

As previously mentioned, the Plan does not issue a separate stand-alone financial report. Below are the Plan's financial statements as of and for the year ending June 30, 2024.

	<u>Extra Help Retirement</u>
Assets:	
Cash and investments:	
Local Agency Investment Fund:	
Domestic fixed income	\$19,498
Total assets	<u>19,498</u>
Net position restricted for pensions	<u>\$19,498</u>
Additions:	
Contributions:	
Employer	\$ 177
Total contributions	<u>177</u>
Net investment income:	
Total investment income	<u>763</u>
Total net investment income	<u>763</u>
Total additions	<u>940</u>
Change in net position	940
Net position, beginning of year	<u>18,558</u>
Net position, end of year	<u>\$19,498</u>

(26) Other Postemployment Benefits (OPEB)

(a) General Information

Plan Description and Administration

OCFA provides other postemployment benefits (OPEB), such as healthcare benefits to eligible retirees and their dependents, through the Retiree Medical Plan (Plan). The purpose of the Plan is to assist employees hired prior to January 1, 2007, in maintaining health insurance coverage following their retirement by providing a monthly grant applied toward the cost of such health insurance coverage. The Plan is intended to qualify for the exclusion from income as an accident or health plan under sections 105(e) and 106 of the Internal Revenue Code. Employee participation is contingent on a contribution of 4% of base salary through payroll deductions to OCFA. OCFA has entered into Memorandum of Understanding with each of its four labor bargaining groups mandating this 4% employee contribution.

The single-employer Plan was established by OCFA's Board of Directors on January 1, 1997, and amended on September 28, 2006. OCFA's Board of Directors is the Plan's Board, establishing and amending all Plan provisions, including benefit terms and contribution requirements, through negotiations with labor bargaining groups. OCFA may terminate the Plan by action of its Board of Directors in its sole discretion. Amendment or termination of the plan is subject to the meet and confer requirement of the Myers-Milias-Brown Act and any other applicable law.

Plan assets are held in an irrevocable trust for the exclusive benefit of Plan participants and are administered by the Orange County Employees Retirement System (OCERS). Funds are held in a trust account established pursuant to Section 401(h) of the Internal Revenue Code and are held separate from the assets of the OCERS retirement system, except for investment purposes. The trust is presented in accordance with the Plan year, which is on a calendar basis ending December 31, 2023. The Plan's Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position (presented within the Fiduciary Funds of these financial statements) are reported as of the December 31, 2023, plan

year-end date. A publicly available OCERS financial report, which includes the Plan's assets, can be obtained at 2223 Wellington Avenue, Santa Ana, California 92701. A separate, audited OPEB Plan report is not available.

All retirees and full-time employees hired on or after January 1, 2007, are not considered Plan participants; however, they are eligible to receive OPEB benefits in the form of employer contributions toward monthly healthcare premiums per the Public Employees' Medical and Hospital Care Act (PEMHCA). OCFA provides health insurance benefits to its employees and retirees through the California Public Employees' Retirement System (CalPers), subject to the legal requirements of the PEMHCA. OCFA contributes toward the monthly payment of healthcare premiums on behalf of eligible retirees at an amount equal to the PEMHCA statutory minimum, which was \$151 for 2023 and \$157 for 2024. In addition, retirees and full-time employees hired on or after January 1, 2007, are eligible to participate in an employer-sponsored defined contribution plan. Additional information regarding the defined contribution benefit is provided within these notes as Note 27.

Eligibility

All full-time or part-time employees who were hired prior to January 1, 2007, and who are credited with at least one year (2,080 hours) of service are eligible to participate in the Plan. An eligible employee, and his or her surviving dependents, will participate in the Plan upon his or her retirement or other termination of employment with OCFA, subject to the terms and conditions contained in the Plan, as applicable for "covered retirees" and "covered former employees."

- A "covered retiree" is a retiree who receives a monthly retirement allowance from the Orange County Employees Retirement System (OCERS) and who meets all coverage and participation requirements.
- A "covered former employee" is an employee who meets the coverage and participation requirements of the Plan at the time of his or her termination of employment with OCFA.

An employee who retires and does not immediately begin receiving a retirement allowance from OCERS will not participate in the Plan until such retirement allowance commences. An employee who terminates employment with OCFA for reasons other than retirement, or who is not eligible to receive a monthly retirement allowance from OCERS, will not be eligible to receive the grant until the age of fifty-five (55) and requests that OCFA commence distribution of the grant. Such requests must be made no later than ninety (90) days from the employee's fifty-fifth birthday.

To be eligible to receive the grant, a participant must be covered under a "qualified health plan" (covered retirees), a "recognized health insurance plan" (covered former employees), or Medicare. A "qualified health plan" is a health insurance plan made available to OCFA's employees and retirees, including an OCFA health plan or a plan administered by an employee organization that the OCFA has agreed will be a "qualified health plan." A "recognized health insurance plan" means a health insurance plan other than a "qualified health plan" covering a former employee or his/her surviving dependents and which is acceptable to OCFA.

Participation of a covered retiree, a covered former employee, or his or her surviving dependents may be terminated as follows:

- Participation of a covered retiree and his or her surviving dependents will cease and eligibility for benefits will be terminated upon the earlier of (a) the failure to elect coverage under a "qualified health plan" or Medicare; (b) failure to make all required contributions or premium payments under a "qualified health plan;" (c) the participant's death; (d) amendment of the Plan to preclude such coverage; or (e) termination of the Plan.
- Participation of a covered former employee and his or her surviving dependents will cease and eligibility for benefits will be terminated upon the earlier of (a) the failure or refusal to maintain and provide proof of coverage under a "recognized health insurance plan" or Medicare; (b) the participant's death; (c) amendment of the Plan to preclude such coverage; or (d) termination of the Plan.

If participation in the Plan is terminated, eligibility will be extinguished, years of service will be lost, and he or she may not later again participate in the Plan.

Benefit Provisions

The Plan provides a grant toward the cost of retirees' health insurance coverage. The grant is equal to the product of the monthly grant amount multiplied by years of credited service, up to a maximum of twenty-five years.

- The amount of the monthly grant is adjusted annually by the average increase or decrease in OCFA's health plan premiums, not to exceed 5% per year. The amount of the monthly grant was as follows for calendar years 2022 through 2024:

<u>Calendar Year</u>	<u>Monthly Grant Amount</u>	<u>% Increase</u>
2024	\$33.73	5.0%
2023	\$32.12	5.0%
2022	\$30.59	5.0%

- The grant is applied as a credit or reimbursement to reduce the cost of the retiree's or former employee's monthly medical insurance premium under his or her selected health plan. If the grant amount exceeds the cost of such coverage, it may be used to offset the cost of the Medicare premium. In no case may the grant exceed the actual cost of the combined health plan and Medicare premiums.
- A surviving dependent of an eligible retiree or former employee is eligible to receive a monthly survivor benefit equal to 50% of the grant that the retiree or covered former employee was eligible to receive at the time of his or her death. A surviving dependent is (a) a surviving spouse who was legally married to an employee, retiree, or covered former employee at the time of his or her death; or (b) a dependent child, as defined by an OCFA health plan or health plan of a covered former employee, of a deceased employee, retiree, or covered former employee.

Plan Membership

The Retiree Medical Plan is closed to new entrants. Plan membership consisted of the following at December 31, 2023, the date of the latest actuarial valuation:

<u>Plan Membership Status</u>	<u>Retiree Medical Plan (Hired Prior to January 1, 2007)</u>	<u>PEMHCA Eligible Employees (Hired on or After January 1, 2007)</u>	<u>Total</u>
Inactive plan members or beneficiaries currently receiving benefit payments	931	7	938
Inactive plan members entitled to but not yet receiving benefit payments	29	-	29
Active plan members	<u>278</u>	<u>1,273</u>	<u>1,551</u>
Total	<u>1,238</u>	<u>1,280</u>	<u>2,518</u>

Contributions

Current, active employees who became employed by OCFA prior to January 1, 2007, are required to contribute 4% of their base salary through payroll deductions to OCFA, to be applied as employee contributions to the Plan, per the terms of the Plan, Memorandums of Understanding between OCFA and each of its four labor bargaining groups, and the Personnel and Salary Resolution covering unrepresented employees. Employee participation in the Plan is contingent on this 4% payroll deduction.

At the time the Plan was implemented and subsequently amended in 2006, all OCFA classifications received a salary range adjustment, which was earmarked for the required employee contribution. Employees were not given the option to receive the salary increase as cash payment. Required employee withholdings contributed to the Plan are

considered employer contributions for tax purposes, because OCFA as the employer maintains the tax-exempt status for the Plan. However, these contributions are considered employee contributions for financial reporting purposes.

OCFA may also make additional employer contributions to the Plan in amounts authorized to be contributed by the Board of Directors or as required by the following contractual agreements:

- OCFA has entered into a Health Plan Agreement with the Orange County Professional Firefighters Association (OCPFA) to contribute toward health benefits (including medical, dental, vision, life, and disability insurance benefits) for each actively employed member of the Firefighter Bargaining Unit. Any “excess fund balance” as determined by an annual calculation is credited toward OCFA’s monthly contribution. OCFA must then contribute an amount equal to the “excess fund balance” to its own Retiree Medical Plan.
- In September 2013, the Board approved several strategies, referred to as the “Snowball Plan,” to accelerate funding OCFA’s pension liability with the Orange County Employees Retirement System (OCERS). In November 2016, the Board modified the funding target for its pension liability from 100% to 85% and directed that any “Snowball Plan” dollars be redirected to the Retiree Medical Plan after achieving the 85% target. In August 2019, OCFA formalized its commitment to its “Snowball Plan” with the 4th Amendment to the Joint Powers Authority Agreement, which requires the Board to appropriate funds to its budget annually consistent with, or greater than, the budgetary payments called for in the “Snowball Plan,” except for instances of fiscal hardship defined as a substantial reduction in OCFA’s anticipated revenues and/or a significant increase in anticipated expenses that are beyond the reasonable control of the Board.

OCFA’s employer contributions to the Plan were as follows:

Type of Employer Contribution	Measurement Period Ending December 31, 2023	Fiscal Year Ending June 30, 2024
OCPFA Health Plan Agreement, Section 5	\$ 6,999,438	\$ 7,836,090
Snowball Plan	17,787,217	20,772,547
PEMHCA premiums paid directly by OCFA	<u>10,721</u>	<u>13,443</u>
Total cash contributions	24,797,376	28,622,080
Implicit subsidy	<u>1,462,343</u>	<u>1,505,673</u>
Total	<u>\$26,259,719</u>	<u>\$30,127,753</u>

(b) Plan Investments

Investment Policy

OCERS serves as trustee for the Plan’s assets as established under Internal Revenue Code Section 401(h). Health care assets for the 401(h) trusts are commingled with OCERS’ pension trust assets for investment purposes and are used exclusively to pay health benefits to OCFA’s eligible Plan members.

State Street Bank and Trust maintains custody of the majority of OCERS’ investments. The acquisition of investments is authorized by state statute and OCERS’ Investment Policy Statement. The allocation of investment assets is approved by OCERS’ Board of Retirement, as outlined in its Investment Policy Statement, and assets are invested solely for the benefit of plan participants and beneficiaries while attempting to minimize employer contributions and investment and administration costs. The Investment Policy Statement calls for an asset allocation plan that seeks to optimize long-term returns for the level of risk that the Board of Retirement considers appropriate. The Board of Retirement conducts a periodic review of the asset allocation plan to maintain an optimal allocation, and may also revise the asset allocation in response to significantly changing market conditions that may affect valuations and forward-looking expected returns of asset classes.

Investments are reported at fair value, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 72 *Fair Value Measurement and Application*. Plan investments consist of domestic, international and global equity securities; domestic fixed income; real estate; diversified credit; emerging markets equity and debt; real return strategies; absolute return strategies; and private equity. OCERS is authorized by its investment policy and state law to lend its investment securities, including global public equities, core fixed income, credit, and real assets to brokers/dealers in exchange for collateral in the form of either cash or securities.

The following was the Board of Retirement's adopted asset allocation plan as of December 31, 2023:

Asset Class	Target Allocation
Global Equities	45.0%
Private Equities	15.0%
Income Strategies	17.0%
Real Assets	13.0%
Risk Mitigation	<u>10.0%</u>
Total	<u>100.0%</u>

Concentrations

Concentration of credit risk is the risk of loss attributed to the magnitude of OCERS' investment in a single issuer. By policy, OCERS did not hold investments in any one issuer that represented five percent (5%) or more of net position and net investments during the year ended December 31, 2023. Investments issued or explicitly guaranteed by the U.S. Government and pooled investments are excluded from this policy requirement.

Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on OCERS' plan assets, net of investment expense, was 11.4%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the timing of cash flows and the changing amounts actually invested.

(c) Net OPEB Liability

Components of the Net OPEB Liability

Net OPEB liability is measured as the total OPEB liability, less the Plan's fiduciary net position. The Plan's fiduciary net position is measured as of December 31, 2023, using an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2023, using standard update procedures. A summary of components of the Plan's net OPEB liability as of the measurement date is shown below, followed by principal assumptions and methods used to determine the net OPEB liability.

Total OPEB liability	\$176,618,079
Plan fiduciary net position	<u>(77,380,472)</u>
Net OPEB liability	<u>\$ 99,237,607</u>
Plan fiduciary net position as a % of the total OPEB liability	43.81%

Actuarial Assumptions

The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2023																																																		
Measurement Date	December 31, 2023																																																		
Actuarial Cost Method	Entry age normal																																																		
Discount Rate	7.00%																																																		
Investment Rate of Return	7.00%																																																		
Payroll Growth	3.00% per year plus OCERS merit scale																																																		
Inflation Rate	2.00%																																																		
Funding Policy and Retiree Contributions	<ul style="list-style-type: none">Partially prefund benefits through 4% employee contributions through a 401(h) account held in trust with OCERSIntend to contribute additional snowball contributions based off of the pension plan’s funded statusRetiree contributions are assumed to increase according to health care trend rates.																																																		
Healthcare Coverage Election Rate (Participation Rates)	100% of active and inactive employees eligible for the Plan grant are assumed to elect medical coverage at retirement. 35% of active employees eligible for the PEMHCA minimum required contribution are assumed to elect to continue coverage through PEMHCA at retirement.																																																		
Spouse Coverage	Spouses are assumed for two-party and family coverage of current retirees. For future retirees, 65% of males and 25% of females are assumed to elect spousal coverage at retirement. Male spouses are assumed to be three years older than female spouses.																																																		
Mortality	Mortality rates (for general and safety employees/retirees and surviving spouses) from the SOA Pub-2010 Headcount Weighted Mortality Tables for General, Public Safety, and Continuing Survivor projected fully generational using Scale MP-2021																																																		
Turnover Rate	<p>Termination rates are based on rates used by the most recent OCERS actuarial valuation and represent the probability of voluntary and involuntary termination prior to meeting the minimum retirement eligibility for retiree healthcare coverage in the next twelve months. Employees who terminate are assumed to elect to receive benefits at the later of current age or first age eligible to receive grant benefits as a terminated employee (age 55).</p> <table><tr><td><u>Years of Service</u></td><td><u>General</u></td><td><u>Safety</u></td></tr><tr><td>0</td><td>11.00%</td><td>4.25%</td></tr><tr><td>5</td><td>4.50%</td><td>1.25%</td></tr><tr><td>10</td><td>2.50%</td><td>0.80%</td></tr><tr><td>15</td><td>1.40%</td><td>0.55%</td></tr><tr><td>20+</td><td>0.75%</td><td>0.15%</td></tr></table>	<u>Years of Service</u>	<u>General</u>	<u>Safety</u>	0	11.00%	4.25%	5	4.50%	1.25%	10	2.50%	0.80%	15	1.40%	0.55%	20+	0.75%	0.15%																																
<u>Years of Service</u>	<u>General</u>	<u>Safety</u>																																																	
0	11.00%	4.25%																																																	
5	4.50%	1.25%																																																	
10	2.50%	0.80%																																																	
15	1.40%	0.55%																																																	
20+	0.75%	0.15%																																																	
Future Accruals	Current active employees are assumed to earn one year of service for each future year.																																																		
Retirement Rate	<p>Retirement rates are based on the rates used by the most recent OCERS actuarial valuation as of December 31, 2022. Sample rates include:</p> <table><tr><td></td><td>General</td><td>General</td><td>Safety</td><td>Safety</td></tr><tr><td></td><td><30 Years of</td><td>30+ Years of</td><td><30 Years of</td><td>30+ Years of</td></tr><tr><td><u>Age</u></td><td><u>Service</u></td><td><u>Service</u></td><td><u>Service</u></td><td><u>Service</u></td></tr><tr><td>45-49</td><td>0.0%</td><td>0.0%-30.0%</td><td>2.0%</td><td>10.0%</td></tr><tr><td>50-54</td><td>2.0%-7.0%</td><td>4.0%-14.0%</td><td>4.0%-12.0%</td><td>10.0%-25.0%</td></tr><tr><td>55-59</td><td>9.0%-12.0%</td><td>18.0%-30.0%</td><td>12.0%-18.0%</td><td>25.0%-30.0%</td></tr><tr><td>60-64</td><td>11.0%-16.0%</td><td>20.0%-24.0%</td><td>18.0%</td><td>30.0%-35.0%</td></tr><tr><td>65-69</td><td>22.0%-24.0%</td><td>27.5%-30.0%</td><td>100.0%</td><td>100.0%</td></tr><tr><td>70-74</td><td>20.0%-25.0%</td><td>27.5%</td><td>100.0%</td><td>100.0%</td></tr><tr><td>75+</td><td>100.0%</td><td>100.0%</td><td>100.0%</td><td>100.0%</td></tr></table>		General	General	Safety	Safety		<30 Years of	30+ Years of	<30 Years of	30+ Years of	<u>Age</u>	<u>Service</u>	<u>Service</u>	<u>Service</u>	<u>Service</u>	45-49	0.0%	0.0%-30.0%	2.0%	10.0%	50-54	2.0%-7.0%	4.0%-14.0%	4.0%-12.0%	10.0%-25.0%	55-59	9.0%-12.0%	18.0%-30.0%	12.0%-18.0%	25.0%-30.0%	60-64	11.0%-16.0%	20.0%-24.0%	18.0%	30.0%-35.0%	65-69	22.0%-24.0%	27.5%-30.0%	100.0%	100.0%	70-74	20.0%-25.0%	27.5%	100.0%	100.0%	75+	100.0%	100.0%	100.0%	100.0%
	General	General	Safety	Safety																																															
	<30 Years of	30+ Years of	<30 Years of	30+ Years of																																															
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75+	100.0%	100.0%	100.0%	100.0%																																															

Healthcare Cost Trend Rates	The initial trend rates are based on a combination of employer history, national trend surveys, and professional judgment. The final trend rate was selected based on historical medial CPI information.				
	Calendar	Pre-65	Post-65	Calendar	Medicare Part B
	<u>Year</u>	<u>Rates</u>	<u>Rates</u>	<u>Year</u>	<u>Rates</u>
	2024	8.00%	6.50%	2024	5.50%
	2025	7.75%	6.25%	2025	5.25%
	2026	7.50%	6.00%	2026	5.00%
	2027	7.25%	5.75%	2027	4.75%
	2028	7.00%	5.50%	2028+	4.50%
	2029	6.75%	5.25%		
	2030	6.50%	5.00%		
	2031	6.25%	4.75%		
	2032	6.00%	4.50%		
	2033	5.75%	4.50%		
	2034	5.50%	4.50%		
	2035	5.25%	4.50%		
	2036	5.00%	4.50%		
	2037	4.75%	4.50%		
	2038+	4.50%	4.50%		
Medical Grant Amount	Assumed 5% annual increase				
Minimum Required Contribution (PEMHCA)	Assumed 4% annual increase				
Per Capita Costs	The valuation was based on the premiums and funding rates furnished by OCFA, actuarially increased using 2021 CalPERS health index factors and OCFA safety employee enrollment. Safety employees are underwritten with the active and retirees pooled together, thus an implied rate subsidy has been estimated and is included in the valuation. The rate subsidy equals the difference between the estimated cost and the actual premium for coverage. The valuation claim costs for general employees was based on the 2023/24 premiums, actuarially increased using 2021 CalPERS health index factors and 2021 CalPERS subscriber enrollment. An implicit rate subsidy can exist when the non-Medicare rates for retirees are the same as for active employees. The valuation contains an estimate of the implicit rate subsidy.				
Actuarial Value of Assets	Market Value				

Changes of Assumptions

Following is a comparison of changes in actuarial assumptions as of December 31, 2023, and 2022:

	As of December 31, 2023	As of December 31, 2022	Change
Twenty-year bond rate	3.65% - 4.13% Range	3.54% - 4.09% Range	0.11% (Low Range) 0.04% (High Range)
Healthcare trend rates	8.00% (2024) decreasing by 0.25% annually to 4.5% (2038+)	7.00% (2023) decreasing by 0.25% annually to 4.5% (2033+)	1.75% initial rates

Discount Rate

The final equivalent single discount rate used to measure the total OPEB liability was 7.00% (no change since the prior measurement date). This discount rate assumes that OCFA continues to fund OPEB benefits and reflects OCFA's "Snowball Plan" contributions now being directed toward the Retiree Medical Plan first starting in 2021. Based on these assumptions and including these contributions, the Plan's fiduciary net position is expected to be able to pay for all future OPEB benefits.

Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of returns (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.00%). The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target allocation as of June 30, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Public Equities	45.0%	N/A
Private Equities	15.0%	N/A
Income Strategies	17.0%	N/A
Real Assets	13.0%	N/A
Risk Mitigation	10.0%	N/A
Total	100.0%	7.0%

The annual money-weighted rate of return was 11.4%.

(d) Changes in the Net OPEB Liability

Changes in the Plan's net OPEB liability for the year ended June 30, 2024, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	<u>\$162,613,799</u>	<u>\$51,014,035</u>	<u>\$111,599,764</u>
Changes in the year:			
Service cost	2,103,304	-	2,103,304
Interest on the total OPEB liability	11,233,261	-	11,233,261
Difference between expected and actual experience	8,471,419	-	8,471,419
Changes in assumptions	826,137	-	826,137
Contributions – employer	-	26,259,719	(26,259,719)
Contributions – plan members	-	1,458,412	(1,458,412)
Net investment income (loss)	-	7,301,787	(7,301,787)
Benefit payments, including refunds of employee contributions	(8,629,841)	(8,629,841)	-
Administrative expense	-	(23,640)	23,640
Net changes	<u>14,004,280</u>	<u>26,366,437</u>	<u>(12,362,157)</u>
Balance at June 30, 2024	<u>\$176,618,079</u>	<u>\$77,380,472</u>	<u>\$ 99,237,607</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, calculated using the current discount rate of 7.00%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	<u>\$122,302,223</u>	<u>\$99,237,607</u>	<u>\$80,184,429</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, calculated using the current healthcare cost trend rates (8.0% decreasing to 4.5%), as well as what the net OPEB liability would be if it were calculated using rates that are one percentage point lower (7.0% decreasing to 3.5%) or one percentage point higher (9.0% decreasing to 5.5%) than the current rates:

	1% Decrease (7.0% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
Net OPEB liability	<u>\$91,156,137</u>	<u>\$99,237,607</u>	<u>\$106,053,482</u>

(e) OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2024, OCFA recognized OPEB expense (credit) of \$(28,218,836). At June 30, 2024, OCFA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience in the total OPEB liability	\$ 6,777,135	\$ (7,612,462)
Changes in assumptions	1,130,439	(39,824,689)
Net differences between projected and actual earnings on plan investments	<u>1,172,042</u>	-
	9,079,616	(47,437,151)
Contributions subsequent to measurement date	<u>29,391,146</u>	-
Total	<u>\$38,470,762</u>	<u>\$(47,437,151)</u>

Deferred outflows of resources related to contributions subsequent to the measurement date totaling \$29,391,146 will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. All other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will also be recognized as an adjustment to OPEB expense as follows:

Year Ended June 30	Amount
2025	\$(44,919,633)
2026	2,315,259
2027	2,997,401
2028	<u>1,249,438</u>
Total	<u>\$(38,357,535)</u>

(f) OPEB Plan Fiduciary Net Position

As previously mentioned, the Plan does not issue a separate stand-alone financial report. Below are the Plan's financial statements as of and for the year ending June 30, 2024:

	<u>Retiree Medical Plan</u>
Assets:	
Cash and investments:	
Pooled amounts held in trust with OCERS	\$78,177,194
Total cash and investments	78,177,194
Receivables:	
Other receivables	31,337
Total assets	<u>78,208,531</u>
Liabilities:	
Accrued liabilities	828,059
Total liabilities	<u>828,059</u>
Net position restricted for postemployment benefits other than pensions	<u>\$77,380,472</u>
Additions:	
Contributions:	
Employer	\$26,259,719
Plan members	1,458,412
Total contributions	<u>27,718,131</u>
Net investment income:	
Total investment income (loss)	7,905,035
Investment fees and expenses	(603,248)
Total net investment income (loss)	<u>7,301,787</u>
Total additions	<u>35,019,918</u>
Deductions:	
Benefits and refunds paid to plan members and beneficiaries	8,629,841
Administrative expenses	23,640
Total deductions	<u>8,653,481</u>
Change in net position	26,366,437
Net position, beginning of year	<u>51,014,035</u>
Net position, end of year	<u>\$77,380,472</u>

(27) Retiree Defined Contribution Healthcare Expense Reimbursement Plan

(a) Plan Description and Administration

On September 28, 2006, OCFA's Board of Directors created the Orange County Fire Authority Retiree Defined Contribution Healthcare Expense Reimbursement Plan (Plan), an employer-sponsored defined contribution benefit plan. The Plan became effective January 1, 2007. OCFA's Board of Directors establishes and amends all Plan provisions through negotiations with labor bargaining groups, subject to all applicable requirements of the Myers-Milias-Brown Act and any other applicable law.

Plan assets are held in an irrevocable trust for the exclusive benefit of Plan participants and are administered by MidAmerica Administrative and Retirement Solutions (formerly Further). Funds are held in a Healthcare Reimbursement Account as a "self-insured medical reimbursement plan" pursuant to Sections 105 and 106 of the Internal Revenue Code. All contributions, investment income, and realized and unrealized gains and losses are credited to individual recordkeeping accounts maintained in the name of each Plan participant. Account assets are invested as directed by the participant from among investment funds selected by the OCFA. The Healthcare Reimbursement Account is considered an employer-funded account for tax purposes. An individual employee may not decide to participate or not participate beyond the terms of the applicable agreement.

(b) Benefit Provisions and Eligibility

All full-time employees who were hired on or after January 1, 2007, are eligible to participate in the Plan. The Plan provides for the reimbursement of medical, dental, and other eligible healthcare expenses of retirees, their spouses, and dependents. Participants are eligible to receive Plan benefits upon reaching retirement age, including those who terminate employment with the OCFA for reasons other than retirement.

(c) Contributions

All active, full-time employees who became employed by OCFA on or after January 1, 2007, are required to contribute 4% of their base pay to the Plan through payroll deductions to the OCFA. Employees are not permitted to contribute more or less to the Plan.

At the time the Plan was implemented, all OCFA classifications received a salary range adjustment that was earmarked for the required contribution into the Healthcare Reimbursement Account. Employees were not given the option to receive the salary increase as cash payment. Required employee withholdings contributed to the Plan are considered employer contributions for tax purposes, because OCFA as the employer maintains the tax-exempt status for the Plan. However, these contributions are considered employee contributions for financial reporting purposes. Contractually required employee contributions for the fiscal year ended June 30, 2024, totaled \$5,201,475.

(d) Public Employees' Medical and Hospital Care Act

All retirees and full-time employees hired on or after January 1, 2007, are eligible for the legally required Public Employees' Medical and Hospital Care Act (PEMHCA) minimum, as stipulated by the California Public Employees' Retirement System (CalPERS). Additional information regarding other postemployment benefits (OPEB) for PEMHCA is provided within these notes as Note 26.

(28) Deferred Compensation Plans

(a) 457(b) and 401(a) Deferred Compensation Plans

All OCFA employees may participate in OCFA's 457(b) Deferred Compensation Plan, a retirement savings plan. The 457(b) Deferred Compensation Plan (457b Plan) is administered by the Nationwide Trust Company. Employees may make voluntary contributions to the 457b Plan, including after-tax Roth 457 contributions, up to the maximum annual amounts permitted by the Internal Revenue Service. Voluntary employee contributions to the 457b Plan for the fiscal year ended June 30, 2024, totaled \$11,926,110.

On February 28, 2019, OCFA's Board of Directors created the Orange County Fire Authority 401(a) Deferred Compensation Plan (401a Plan). The 401a Plan is also administered by Nationwide Trust Company. In accordance with OCFA's Personnel and Salary Resolution, Executive Management employees are eligible to receive deferred compensation contributions from OCFA in an amount equal to 4.5% of base salary. In accordance with OCFA's Memorandum of Understanding with the Administrative Management unit, employees at the maximum of their salary range are eligible to receive a merit-based deferred compensation contribution in the amount of \$500 per year. Contractually required employer contributions to the 401a Plan for the fiscal year ended June 30, 2024, totaled \$157,264 for Executive Management employees and \$10,000 for Administrative Management employees.

OCFA's Board of Directors establishes and amends all deferred compensation plan provisions, including benefit terms and contribution requirements, through negotiations with labor bargaining groups when applicable. Amendment or termination of the plans is subject to the meet and confer requirement of the Myers-Milias-Brown Act and any other applicable law.

(b) 457(OBRA) Deferred Compensation Plan

On January 26, 2017, OCFA's Board of Directors created a 457(OBRA) Deferred Compensation Plan (Plan), a mandatory retirement savings plan, for the participation of all eligible part-time employees pursuant to federal legislation. For

Internal Revenue Service (IRS) tax purposes, all OCFA Board Members are considered employees and, as such, OCFA is required to provide a retirement savings plan for mandatory enrollment. The Plan satisfies OCFA's obligation to enroll all employees in a retirement savings plan. Effective July 1, 2018, all eligible extra help employees hired by OCFA are also enrolled as participants in the Plan in lieu of OCFA's Extra Help Retirement Plan, a single-employer defined benefit pension plan described within these notes as Note 25.

Plan participants are required to contribute 7.5% of their earnings to the Plan, subject to maximum annual federal limits, and may immediately receive benefits without penalty upon separation of employment from OCFA. The Plan is administered by NaCoServices, Inc., a subsidiary of the National Association of Counties and Nationwide Retirement Solutions, Inc. Required employee contributions for the fiscal year ended June 30, 2024, totaled \$48,523.

(29) Subsequent Events

(a) Deposit to 115 Trust

On July 5, 2024, OCFA deposited \$2,000,000 into the Public Agencies Postemployment Benefits Trust (115 Trust) for the purpose of pre-funding pension and/or other postemployment benefit obligations in accordance with terms of the Settlement Agreement between OCFA and the City of Irvine. Assets of the 115 Trust are held by U.S. Bank National Association (U.S. Bank) and are administered by Public Agency Retirement Services (PARS).

(b) Ambulance Provider Settlement Agreement

On July 31, 2024, OCFA received \$3,227,598 from an ambulance provider in satisfaction of all obligations for medical supply reimbursement covering the period August 1, 2021, through March 31, 2024, as per the terms and conditions of a Settlement Agreement dated July 29, 2024.

(c) Final Disbursement from 2022 Financed Purchase Agreement Escrow Account

On August 12, 2024, a final disbursement totaling \$927,932 was made from the Wilmington Trust escrow account that was established to fund the acquisition of two Sikorsky S-70 Type 1 Firehawk helicopters and related training. Per terms of the Financed Purchase Agreement (Agreement) with Banc of America Public Capital Corp (Banc of America), any funds remaining in the escrow account on the date that the final disbursement request is submitted will be applied on each successive payment date to pay for all or a portion of the payment due. OCFA's next successive debt service payment totaling \$4,924,806 is due on January 10, 2025.

Required Supplementary Information



Helopod Press Conference
December 15, 2023

Required Supplementary Information

OCERS Retirement Plan

OCFA participates in the Orange County Employees Retirement System (OCERS), a cost-sharing multiple-employer, defined benefit pension plan that provides retirement, disability, and death benefits to safety and general members.

Extra Help Retirement Plan

OCFA administers a single-employer, defined benefit pension plan that provides retirement benefits for OCFA's less than half-time and extra help employees hired prior to July 1, 2018. Plan assets are accounted for in the Extra Help Retirement fiduciary fund.

Retiree Medical Plan

OCFA provides a single-employer, defined benefit plan for OCFA's full-time and part-time employees hired prior to January 1, 2007, which provides a monthly grant toward the cost of retirees' health insurance coverage. Plan assets are held in an irrevocable trust for the exclusive benefit of Plan participants and are administered by the Orange County Employees Retirement System (OCERS).

ORANGE COUNTY FIRE AUTHORITY

OCERS Retirement Plan
A Cost-Sharing, Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2024
Last Ten Fiscal Years

Schedule of OCFA's Proportionate Share of the Net Pension Liability

Fiscal Year Ended June 30	OCFA's Proportion of the Collective Net Pension Liability (Asset)	OCFA's Proportionate Share of the Collective Net Pension Liability (Asset)	OCFA's Covered Payroll (B)	Proportionate Share of the Collective Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan's Fiduciary Net Position	Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	Applicable Measurement Date (A)
2015	9.188%	\$ 466,968,323	\$ 129,187,729	361.465%	\$ 11,536,106,000	69.42%	12/31/2014
2016	9.056%	\$ 517,669,806	\$ 129,452,647	399.891%	\$ 11,657,318,000	67.10%	12/31/2015
2017	9.043%	\$ 469,430,660	\$ 124,514,004	377.010%	\$ 12,809,208,000	71.16%	12/31/2016
2018	7.485%	\$ 370,674,668	\$ 148,890,685	248.958%	\$ 14,801,895,000	74.93%	12/31/2017
2019	7.531%	\$ 466,731,526	\$ 155,479,486	300.188%	\$ 14,481,680,000	70.03%	12/31/2018
2020	6.982%	\$ 354,395,457	\$ 164,583,742	215.328%	\$ 16,678,581,000	76.67%	12/31/2019
2021	4.299%	\$ 181,121,638	\$ 190,254,989	95.199%	\$ 18,797,203,000	81.69%	12/31/2020
2022	-5.117%	\$ (104,907,413)	\$ 189,061,641	-55.488%	\$ 21,922,182,000	91.45%	12/31/2021
2023	5.176%	\$ 279,060,590	\$ 193,780,939	144.008%	\$ 19,690,021,000	78.51%	12/31/2022
2024	3.476%	\$ 168,457,678	\$ 202,864,559	83.039%	\$ 21,797,429,000	81.81%	12/31/2023

Notes to Schedule:

(A) Applicable measurement date reflects the most recent fiscal year-end of the Orange County Employees Retirement System.

(B) Based on Plan Year ending December 31

ORANGE COUNTY FIRE AUTHORITY

OCERS Retirement Plan
A Cost-Sharing, Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2024
Last Ten Fiscal Years

Schedule of Contributions

Fiscal Year Ended June 30	Required Employer Contributions				Actual Contributions as a Percentage of	
	(Actuarially Determined)	Actual Employer Contributions	Contribution Excess (Deficiency)	Covered Payroll (B)	Covered Payroll	
2015	\$ 61,323,319	\$ 82,699,618	\$ 21,376,299	\$ 128,215,528	64.50%	
2016	\$ 63,297,103	\$ 78,708,605	\$ 15,411,502	\$ 132,248,620	59.52%	
2017	\$ 66,284,815	\$ 82,880,775	\$ 16,595,960	\$ 144,564,215	57.33%	
2018	\$ 67,135,009	\$ 90,230,805	\$ 23,095,796	\$ 149,170,809	60.49%	
2019	\$ 68,220,529	\$ 91,053,475	\$ 22,832,946	\$ 153,247,752	59.42%	
2020	\$ 72,228,778	\$ 93,232,215	\$ 21,003,437	\$ 176,975,377	52.68%	
2021	\$ 79,754,287	\$ 106,715,236	\$ 26,960,949	\$ 185,441,142	57.55%	
2022	\$ 83,069,059	\$ 94,010,371	\$ 10,941,312	\$ 192,639,197	48.80%	
2023	\$ 71,691,220	\$ 84,450,056	\$ 12,758,836	\$ 197,123,640	42.84%	
2024	\$ 67,417,434	\$ 82,238,266	\$ 14,820,832	\$ 210,631,364	39.04%	

Notes to Schedule:

(A) Required and actual contributions presented in the above schedule exclude any employer-paid member contributions.

(B) Based on Fiscal Year ending June 30

ORANGE COUNTY FIRE AUTHORITY

Extra Help Retirement Plan
A Single-Employer Defined Benefit Pension Plan
As of June 30, 2024
For the Last Ten Fiscal Years

Schedule of Changes in Net Pension Liability and Related Ratios

	Fiscal Year Ended June 30			
	2015	2016	2017	2018
Total pension liability (TPL):				
Service cost	\$ -	\$ 8,331	\$ 6,050	\$ 5,386
Interest	-	11,865	6,637	6,297
Differences between expected and actual experience	9,728	(131,777)	-	(36,700)
Changes of assumptions	-	47,323	(27,593)	5,961
Benefit payments, including refunds of member contributions	(6,459)	(10,642)	(31,370)	(24,786)
Net change in total pension liability	3,269	(74,900)	(46,276)	(43,842)
Total pension liability - beginning	310,120	313,389	238,489	192,213
Total pension liability - ending	313,389	238,489	192,213	148,371
Plan fiduciary net position (FNP):				
Contributions - employer	2,481	2,267	839	1,519
Contributions - plan members	11,831	8,923	21,080	16,641
Net investment income	714	1,219	2,407	1,196
Benefit payments, including refunds of member contributions	(6,459)	(10,642)	(31,370)	(24,786)
Net change in plan fiduciary net position	8,567	1,767	(7,044)	(5,430)
Total plan fiduciary net position - beginning	64,464	73,031	74,798	67,754
Total plan fiduciary net position - ending	73,031	74,798	67,754	62,324
Net pension liability (NPL)	\$ 240,358	\$ 163,691	\$ 124,459	\$ 86,047
Plan FNP as a % of the TPL	23.30%	31.36%	35.25%	42.01%
Covered payroll	\$ 205,340	\$ 108,526	\$ 108,526	\$ 73,747
NPL as a % of covered payroll (B)	117.05%	150.83%	114.68%	116.68%

Notes to Schedule:

(A) Change in actuarial assumptions:

Discount rate and investment rate of return	3.75%	2.90%	3.40%	3.50%
Inflation	3.00%	2.75%	2.75%	2.75%
Salary increases	3.00%	3.00%	3.00%	3.00%

(B) Effective July 1, 2018, the Plan is closed to new entrants. As of June 30, 2022, there are no longer an active employees participating in the plan; thus, covered payroll and net pension liability as a % of covered payroll are not applicable.

2019	2020	2021	2022	2023	2024
\$ 2,911	\$ 6,786	\$ 994	\$ 874	\$ -	\$ -
5,007	5,388	3,033	2,819	3,115	750
21,397	(63,020)	829	(6,523)	(50,185)	(103)
9,879	16,260	6,853	(29,721)	(125)	(119)
(16,426)	(13,768)	-	(2,213)	(33,302)	-
22,768	(48,354)	11,709	(34,764)	(80,497)	528
148,371	171,139	122,785	134,494	99,730	19,233
171,139	122,785	134,494	99,730	19,233	19,761
876	1,072	2,117	2,279	540	177
9,043	891	579	-	-	-
1,731	1,191	266	192	1,166	763
(16,426)	(13,768)	-	(2,213)	(33,302)	-
(4,776)	(10,614)	2,962	258	(31,596)	940
62,324	57,548	46,934	49,896	50,154	18,558
57,548	46,934	49,896	50,154	18,558	19,498
<u>\$ 113,591</u>	<u>\$ 75,851</u>	<u>\$ 84,598</u>	<u>\$ 49,576</u>	<u>\$ 675</u>	<u>\$ 263</u>
33.63%	38.22%	37.10%	50.29%	96.49%	98.67%
\$ 160,212	\$ 9,541	\$ 7,744	N/A	N/A	N/A
70.90%	795.00%	1092.43%	N/A	N/A	N/A
3.15%	2.45%	2.10%	3.75%	3.90%	4.05%
2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
3.00%	3.00%	3.00%	3.00%	N/A	N/A

ORANGE COUNTY FIRE AUTHORITY

Extra Help Retirement Plan
A Single-Employer Defined Benefit Pension Plan
As of June 30, 2024
For the Last Ten Fiscal Years

Schedule of Contributions

	Fiscal Year Ended June 30			
	2015	2016	2017	2018
Required employer contributions (contractually determined)	\$ 2,481	\$ 2,267	\$ 839	\$ 1,519
Actual employer contributions	2,481	2,267	839	1,519
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Actual contributions as a % of required contributions	100.00%	100.00%	100.00%	100.00%
Covered payroll (B)	\$ 205,340	\$ 108,526	\$ 108,526	\$ 73,747
Actual contributions as a % of covered payroll (B)	1.21%	2.09%	0.77%	2.06%

Notes to Schedule:

(A) Changes in size or composition of plan members:

Inactive; entitled to but not yet receiving benefits	39	47	46	37
Active	<u>41</u>	<u>17</u>	<u>31</u>	<u>24</u>
Total plan members as of June 30	<u>80</u>	<u>64</u>	<u>77</u>	<u>61</u>

(B) Effective July 1, 2018, the Plan is closed to new entrants. As of June 30, 2022, there are no longer an active employees participating in the plan; thus, covered payroll and net pension liability as a % of covered payroll are not applicable.

2019	2020	2021	2022	2023	2024
\$ 876	\$ 1,072	\$ 2,117	\$ 2,279	\$ 540	\$ 177
876	1,072	2,117	2,279	540	177
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$ 160,212	\$ 9,541	\$ 7,744	N/A	N/A	N/A
0.55%	11.24%	27.34%	N/A	N/A	N/A
38	38	38	38	32	32
4	1	1	-	-	-
<u>42</u>	<u>39</u>	<u>39</u>	<u>38</u>	<u>32</u>	<u>32</u>

ORANGE COUNTY FIRE AUTHORITY

Extra Help Retirement Plan
A Single-Employer Defined Benefit Pension Plan
As of June 30, 2024
For the Last Ten Fiscal Years

Schedule of Money Weighted Rate of Return

Fiscal Year Ended June 30	Annual Money-Weighted Rate of Return, Net of	
	Investment Expense	
2015	1.24%	
2016	1.66%	
2017	3.43%	
2018	1.90%	
2019	2.93%	
2020	2.30%	
2021	0.55%	
2022	0.39%	
2023	3.45%	
2024	5.05%	

Orange County Fire Authority



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ORANGE COUNTY FIRE AUTHORITY

Retiree Medical Plan

A Single-Employer Defined Benefit Other Postemployment Benefit (OPEB) Plan

As of June 30, 2024

For the Last Ten Fiscal Years (A)

Schedule of Changes in Net OPEB Liability and Related Ratios

	Fiscal Year Ended June 30		
	2018	2019	2020
Total OPEB liability (TOPEBL):			
Service cost	\$ 7,712,349	\$ 7,989,994	\$ 6,034,031
Interest	10,007,111	10,432,082	10,878,843
Differences between expected and actual experience	-	(2,909,247)	(647,369)
Changes of assumptions	-	(35,431,920)	18,873,824
Benefit payments, including refunds of member contributions	(5,581,055)	(6,803,645)	(7,239,321)
Net change in total pension liability	12,138,405	(26,722,736)	27,900,008
Total OPEB liability - beginning	273,053,476	285,191,881	258,469,145
Total OPEB liability - ending	285,191,881	258,469,145	286,369,153
Plan fiduciary net position (FNP):			
Contributions - employer	1,603,537	4,002,323	2,221,564
Contributions - plan members	2,379,665	2,259,947	2,111,158
Net investment income (loss)	5,116,794	(728,045)	5,301,391
Benefit payments, including refunds of member contributions	(5,581,055)	(6,803,645)	(7,239,321)
Administrative expense	(27,068)	(30,304)	(21,240)
Net change in plan fiduciary net position	3,491,873	(1,299,724)	2,373,552
Total plan fiduciary net position - beginning	36,839,189	40,331,062	39,031,338
Total plan fiduciary net position - ending	40,331,062	39,031,338	41,404,890
Net OPEB liability (NOPEBL)	\$ 244,860,819	\$ 219,437,807	\$ 244,964,263
Plan FNP as a % of the TOPEBL	14.14%	15.10%	14.46%
Covered employee payroll (B)	\$ 68,808,979	\$ 66,697,012	\$ 63,351,188
NOPEBL as a % of covered employee payroll	355.86%	329.01%	386.68%

Notes to Schedule:

(A) GASB Statements No. 74, No. 75, and No. 85 were implemented during Fiscal Year 2017/18. Additional years will be added as they become available in the future.

(C) Applicable measurement date	12/31/2017	12/31/2018	12/31/2019
(D) Change in actuarial assumptions:			
Discount rate	3.60%	4.17%	3.31%
Investment rate of return	7.00%	7.00%	7.00%
Payroll growth	3.25%	3.25%	3.25%
Inflation	2.75%	2.75%	2.75%
Healthcare cost trend rates	5.00% - 6.50%	5.00% - 6.50%	4.50% - 6.50%
Twenty-year bond rate	3.44%	4.11%	2.76% - 3.26%
Crossover year	2028	2025	2025
Mortality rate scale	MP-2015	MP-2018	MP-2019
Pre-retirement turnover	0.00% - 5.00%	0.20% - 11.00%	0.20% - 11.00%

2021	2022	2023	2024
\$ 8,510,680	\$ 10,072,942	\$ 2,461,230	\$ 2,103,304
9,632,097	7,499,506	11,178,022	11,233,261
1,145,322	(23,396,844)	(5,289,751)	8,471,419
37,176,101	(159,298,759)	1,408,587	826,137
(7,823,558)	(8,438,075)	(8,592,854)	(8,629,841)
48,640,642	(173,561,230)	1,165,234	14,004,280
286,369,153	335,009,795	161,448,565	162,613,799
335,009,795	161,448,565	162,613,799	176,618,079
2,284,326	17,370,021	3,238,768	26,259,719
1,976,295	1,842,066	1,628,619	1,458,412
4,134,537	6,741,844	(4,683,124)	7,301,787
(7,823,558)	(8,438,075)	(8,592,854)	(8,629,841)
(22,440)	(23,640)	(23,640)	(23,640)
549,160	17,492,216	(8,432,231)	26,366,437
41,404,890	41,954,050	59,446,266	51,014,035
41,954,050	59,446,266	51,014,035	77,380,472
\$ 293,055,745	\$ 102,002,299	\$ 111,599,764	\$ 99,237,607
12.52%	36.82%	31.37%	43.81%
\$ 58,610,629	\$ 56,548,860	\$ 48,509,326	\$ 45,183,369
500.00%	180.38%	230.06%	219.63%

(B) Required employer contributions to the OPEB plan are not based on a measure of pay; thus, this schedule discloses “covered employee payroll” (the payroll of employees that are provided with OPEB through the OPEB plan) as the measure of payroll. The amounts reported on this schedule are based on the Plan Year ending date of December 31.

12/31/2020	12/31/2021	12/31/2022	12/31/2023
2.20%	7.00%	7.00%	7.00%
7.00%	7.00%	7.00%	7.00%
3.25%	3.25%	3.00%	3.00%
2.75%	2.75%	2.00%	2.00%
4.50% - 6.50%	4.50% - 6.25%	4.50% - 7.00%	4.50% - 8.00%
1.93% - 2.12%	1.84% - 2.25%	3.54% - 4.09%	3.65% - 4.13%
2027	N/A	N/A	N/A
MP-2020	MP-2021	MP-2021	MP-2021
0.20% - 11.00%	0.15% - 11.00%	0.15% - 11.00%	0.15% - 11.00%

ORANGE COUNTY FIRE AUTHORITY

Retiree Medical Plan

A Single-Employer Defined Benefit Other Postemployment Benefit (OPEB) Plan

As of June 30, 2024

For the Last Ten Fiscal Years (A)

Schedule of Contributions

	Fiscal Year Ended June 30		
	2018	2019	2020
Required employer contributions (contractually determined) (B)	\$ 3,941,686	\$ 1,974,029	\$ 2,252,945
Actual employer contributions	3,941,686	1,974,029	2,252,945
Contribution excess (deficiency)	\$ -	\$ -	\$ -
Actual contributions as a % of contractually required contributions	100.00%	100.00%	100.00%
Covered employee payroll (C)	\$ 65,955,614	\$ 62,958,049	\$ 59,454,055
Actual contributions as a % of covered employee payroll	5.98%	3.14%	3.79%

Notes to Schedule:

(A) GASB Statements No. 74, No. 75, and No. 85 were implemented during Fiscal Year 2017/18. Additional years will be added as they become available in the future.

(B) Required, contractually determined employer contributions include: (1) cash contributions per Section 5 of the Health Plan Agreement between OCFA and the Orange County Professional Firefighters Association; (2) "Snowball Plan" payments required per the 4th Amendment to the Joint Powers Authority Agreement; (3) any cash contributions paid directly to retirees outside of the trust per the Retiree Medical Plan; (4) amounts paid directly by OCFA to the California Public Employees Retirement System for PEMHCA premiums on behalf of retirees hired on or after January 1, 2007; and (5) the implicit subsidy in accordance with Memorandums of Understanding between OCFA and its labor groups requiring that OCFA contribute toward the payment of health care premiums on behalf of eligible retirees. PEMHCA benefit payments were not included in the amounts reported on this schedule prior to Fiscal Year 2022/23.

(C) Required employer contributions to the OPEB plan are not based on a measure of pay; thus, this schedule discloses "covered employee payroll" (the payroll of employees that are provided with OPEB through the OPEB plan) as the measure of payroll. The amounts reported on this schedule are based on the Fiscal Year ending date of June 30.

(D) Changes in size or composition of plan members:

	As of June 30		
	2018	2019	2020
Retiree Medical Plan (Hired Prior to January 1, 2007):			
Inactive; currently receiving benefits	738	781	817
Inactive; entitled to but no yet receiving benefits	41	39	36
Active	511	457	419
Subtotal	1,290	1,277	1,272
PEMHCA Eligible Employees (Hired on or After January 1, 2007):			
Inactive; currently receiving benefits	1	1	4
Active	763	821	1,008
Subtotal	764	822	1,012
Total Plan Members as of June 30:			
Inactive; currently receiving benefits	739	782	821
Inactive; entitled to but no yet receiving benefits	41	39	36
Active	1,274	1,278	1,427
Total	2,054	2,099	2,284

2021	2022	2023	2024
\$ 2,361,738	\$ 18,417,245	\$ 26,538,739	\$ 30,127,753
2,361,738	18,417,245	26,538,739	30,127,753
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
100.00%	100.00%	100.00%	100.00%
\$ 57,043,737	\$ 49,786,365	\$ 44,545,501	\$ 44,447,173
4.14%	36.99%	59.58%	67.78%

2021	2022	2023	2024
844	900	929	941
36	32	29	29
384	324	285	263
<u>1,264</u>	<u>1,256</u>	<u>1,243</u>	<u>1,233</u>
4	4	7	7
1,102	1,152	1,227	1,290
<u>1,106</u>	<u>1,156</u>	<u>1,234</u>	<u>1,297</u>
848	904	936	948
36	32	29	29
1,486	1,476	1,512	1,553
<u>2,370</u>	<u>2,412</u>	<u>2,477</u>	<u>2,530</u>

ORANGE COUNTY FIRE AUTHORITY

Retiree Medical Plan
A Single-Employer Defined Benefit Other Postemployment Benefit (OPEB) Plan
As of June 30, 2024
For the Last Ten Fiscal Years (A)

Schedule of Money Weighted Rate of Return

Fiscal Year Ended June 30	As Related to Plan Year Ended December 31	Annual Money-Weighted Rate of Return, Net of Investment
		Expense
2018	2017	14.74%
2019	2018	-1.31%
2020	2019	14.81%
2021	2020	11.22%
2022	2021	16.67%
2023	2022	-7.88%
2024	2023	11.44%

Notes to Schedule:

(A) GASB Statement No. 74 was implemented during Fiscal Year 2017/18. Additional years will be added as they become available in the future.

Supplementary Schedules



Open House
March 16, 2024

Major Governmental Funds

Capital Projects Funds

Communications and Information Systems

This fund is used to account for the significant acquisition, improvement, or replacement of specialized communications and information technology systems and/or equipment.

Fire Apparatus

This fund is used to account for the significant acquisition, improvement, or replacement of fire apparatus, including vehicles, trailers, and helicopters.

Fire Stations and Facilities

This fund is used to account for the significant acquisition, improvement, replacement, or construction of fire stations and facilities.

ORANGE COUNTY FIRE AUTHORITY
Communications and Information Systems
Budgetary Comparison Schedule
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	2024			2023
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	Actual Amounts
Budgetary fund balance, July 1	\$ 6,037,384	\$ 6,037,384	\$ 6,037,384	\$ -
Resources (inflows):				
Use of money and property	101,026	325,139	445,900	120,761
Miscellaneous	-	-	-	-
Transfers in	4,500,000	4,500,000	4,500,000	-
Total resources (inflows)	4,601,026	4,825,139	4,945,900	120,761
Amounts available for appropriations	10,638,410	10,862,523	10,983,284	120,761
Charges to appropriation (outflows):				
Services and supplies	107,663	107,663	100,423	7,240
Capital outlay	5,215,209	8,438,117	1,236,199	7,201,918
Transfers out	-	2,000,000	2,000,000	-
Total charges to appropriations	5,322,872	10,545,780	3,336,622	7,209,158
Budgetary fund balance, June 30	\$ 5,315,538	\$ 316,743	\$ 7,646,662	\$ 7,329,919

ORANGE COUNTY FIRE AUTHORITY
Fire Apparatus
Budgetary Comparison Schedule
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	2024				2023
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final	Amounts		Amounts
Budgetary fund balance, July 1	\$ 37,730,153	\$ 37,730,153	\$ 37,730,153	\$ -	\$ 16,569,960
Resources (inflows):					
Charges for services	1,893,746	1,893,746	1,893,746	-	1,749,288
Use of money and property	641,834	1,528,892	2,047,526	518,634	868,386
Developer contributions	2,100,000	2,100,000	-	(2,100,000)	831,983
Transfers in	13,218,201	13,218,201	13,218,201	-	9,442,226
Issuance of financed purchase agreement	-	-	-	-	57,882,120
Total resources (inflows)	<u>17,853,781</u>	<u>18,740,839</u>	<u>17,159,473</u>	<u>(1,581,366)</u>	<u>70,774,003</u>
Amounts available for appropriations	<u>55,583,934</u>	<u>56,470,992</u>	<u>54,889,626</u>	<u>(1,581,366)</u>	<u>87,343,963</u>
Charges to appropriation (outflows):					
Services and supplies	-	1,014,825	1,002,903	11,922	98,429
Capital outlay	34,388,332	48,677,248	19,412,502	29,264,746	49,472,289
Principal retirement	2,778,686	2,778,686	2,770,492	8,194	-
Interest and fiscal charges	2,154,314	2,154,314	2,154,314	-	-
Issuance costs	-	-	-	-	43,092
Transfers out	-	1,431,948	1,431,948	-	-
Total charges to appropriations	<u>39,321,332</u>	<u>56,057,021</u>	<u>26,772,159</u>	<u>29,284,862</u>	<u>49,613,810</u>
Budgetary fund balance, June 30	<u>\$ 16,262,602</u>	<u>\$ 413,971</u>	<u>\$ 28,117,467</u>	<u>\$ 27,703,496</u>	<u>\$ 37,730,153</u>

ORANGE COUNTY FIRE AUTHORITY
Fire Stations and Facilities
Budgetary Comparison Schedule
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	2024				2023
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual
	Original	Final	Amounts		Amounts
Budgetary fund balance, July 1	\$ 37,126,620	\$ 37,126,620	\$ 37,126,620	\$ -	\$ 21,308,456
Resources (inflows):					
Intergovernmental	-	-	137,857	137,857	17,170,143
Use of money and property	75,343	1,289,447	1,863,932	574,485	578,747
Developer contributions	705,900	705,900	901,800	195,900	219,600
Transfers in	2,000,000	2,000,000	2,000,000	-	-
Total resources (inflows)	2,781,243	3,995,347	4,903,589	908,242	17,968,490
Amounts available for appropriations	39,907,863	41,121,967	42,030,209	908,242	39,276,946
Charges to appropriation (outflows):					
Services and supplies	304,477	304,477	276,645	27,832	620,023
Capital outlay	16,924,435	38,449,660	7,352,424	31,097,236	1,530,303
Transfers out	-	2,000,000	2,000,000	-	-
Total charges to appropriations	17,228,912	40,754,137	9,629,069	31,125,068	2,150,326
Budgetary fund balance, June 30	\$ 22,678,951	\$ 367,830	\$ 32,401,140	\$ 32,033,310	\$ 37,126,620

Major Governmental Funds

“Sub-Fund” Components of General Fund

The following “sub-funds” are combined and consolidated in order to report a single General Fund for financial statement presentation. Descriptions of each “sub-fund” component are identified below.

General Operating Fund

This sub-fund is used to account for all operating activities not accounted for in another sub-fund.

General Fund Capital Improvement Program (CIP)

This sub-fund is used to account for financial activity associated with maintenance and improvement projects that are considered “capital in nature” but do not meet the criteria to be included in a Capital Projects Fund.

Structural Fire Entitlement

This sub-fund is used to account for service enhancement funds of over-funded Structural Fire Fund members.

Self Insurance

This sub-fund is used to account the workers’ compensation self-insurance program.

Settlement Agreement

This sub-fund is used to account for the activities of a Settlement Agreement between OCFA and the City of Irvine to provide various provisions benefiting the citizens of Orange County and enhancing services provided throughout OCFA’s jurisdiction, including a Joint Police-Fire Training Facility, a Drone Program, Bi-Directional Amplifiers, training of Irvine Police Department Emergency Medical Technicians, a Public Safety Community Emergency Response Team Coordinator in the City of Irvine, and pension funding through a Section 115 Trust.

ORANGE COUNTY FIRE AUTHORITY
Components of General Fund
Combining Balance Sheet
June 30, 2024
(With Comparative Data for Prior Year)

	General Operating Fund	General Fund CIP	Structural Fire Entitlement	Self Insurance
Assets:				
Cash and investments	\$ 19,599,713	\$ 15,763,992	\$ 3,575,968	\$ 165,144,489
Accounts receivable, net	5,586,103	-	-	-
Accrued interest receivable	247,200	-	7,900	348,025
Prepaid costs and other assets	35,109,862	462,626	-	-
Due from other governments	26,794,973	-	-	-
Restricted cash and investments	-	-	-	-
Lease receivables	853,501	-	-	-
Total assets	<u>\$ 88,191,352</u>	<u>\$ 16,226,618</u>	<u>\$ 3,583,868</u>	<u>\$ 165,492,514</u>
Liabilities:				
Accounts payable	\$ 6,520,697	\$ 1,037,639	\$ 160,663	\$ 712,217
Accrued liabilities	20,181,210	-	-	-
Unearned revenue	10,421,359	-	-	-
Due to other governments	5,029	-	-	-
Total liabilities	<u>37,128,295</u>	<u>1,037,639</u>	<u>160,663</u>	<u>712,217</u>
Deferred inflows of resources:				
Unavailable revenue	568,110	-	-	-
Related to leases	774,231	-	-	-
Total deferred inflows of resources	<u>1,342,341</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable prepaid costs	35,030,452	462,626	-	-
Restricted:				
Various departments	4,717,229	-	-	-
Section 115 pension trust	-	-	-	-
Committed to SFF cities enhancements	-	-	3,423,205	-
Assigned:				
Capital improvement program	-	12,089,724	-	-
Workers' compensation	-	-	-	164,780,297
Various departments	1,180,074	15,688	-	-
Facilities projects	42,150	-	-	-
Communications/IT projects	-	1,745,920	-	-
Construction projects	-	875,021	-	-
Unassigned	8,750,811	-	-	-
Total fund balances	<u>49,720,716</u>	<u>15,188,979</u>	<u>3,423,205</u>	<u>164,780,297</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 88,191,352</u>	<u>\$ 16,226,618</u>	<u>\$ 3,583,868</u>	<u>\$ 165,492,514</u>

Settlement Agreement	Eliminations	Total General Fund	
		2024	2023
\$ 22,717,552	\$ -	\$ 226,801,714	\$ 183,299,640
-	-	5,586,103	2,382,931
49,171	-	652,296	373,017
-	-	35,572,488	32,572,426
-	-	26,794,973	36,987,615
9,735,584	-	9,735,584	7,316,894
-	-	853,501	895,177
<u>\$ 32,502,307</u>	<u>\$ -</u>	<u>\$ 305,996,659</u>	<u>\$ 263,827,700</u>
\$ 4,323	\$ -	\$ 8,435,539	\$ 8,481,980
-	-	20,181,210	15,382,108
-	-	10,421,359	9,378,655
-	-	5,029	5,029
<u>4,323</u>	<u>-</u>	<u>39,043,137</u>	<u>33,247,772</u>
-	-	568,110	681,733
-	-	774,231	839,179
-	-	1,342,341	1,520,912
-	-	35,493,078	32,542,882
-	-	4,717,229	4,728,588
9,733,459	-	9,733,459	7,316,140
-	-	3,423,205	3,519,541
-	-	12,089,724	6,545,843
-	-	164,780,297	143,334,044
-	-	1,195,762	1,849,756
-	-	42,150	232,727
-	-	1,745,920	2,116,855
-	-	875,021	147,406
22,764,525	-	31,515,336	26,725,234
<u>32,497,984</u>	<u>-</u>	<u>265,611,181</u>	<u>229,059,016</u>
<u>\$ 32,502,307</u>	<u>\$ -</u>	<u>\$ 305,996,659</u>	<u>\$ 263,827,700</u>

ORANGE COUNTY FIRE AUTHORITY
Components of General Fund
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	General Operating Fund	General Fund CIP	Structural Fire Entitlement	Self Insurance
Revenues:				
Taxes	\$ 340,988,284	\$ -	\$ -	\$ -
Intergovernmental	59,333,496	-	-	-
Charges for services	158,348,448	-	-	31,807,590
Use of money and property	3,802,359	-	186,078	7,609,547
Miscellaneous	24,874,921	-	-	-
Total revenues	<u>587,347,508</u>	<u>-</u>	<u>186,078</u>	<u>39,417,137</u>
Expenditures:				
Current - public safety:				
Salaries and benefits	474,294,558	-	-	-
Services and supplies	64,792,908	7,118,124	282,414	17,970,884
Capital outlay	2,007,712	2,047,991	-	-
Debt service:				
Principal retirement	5,907,135	210,764	-	-
Interest and fiscal charges	2,858,089	-	-	-
Total expenditures	<u>549,860,402</u>	<u>9,376,879</u>	<u>282,414</u>	<u>17,970,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>37,487,106</u>	<u>(9,376,879)</u>	<u>(96,336)</u>	<u>21,446,253</u>
Other financing sources (uses):				
Transfers in	1,431,948	15,500,000	-	-
Transfers out	(33,886,201)	-	-	-
Issuance of leases and subscriptions	57,238	210,764	-	-
Sale of capital assets	141,528	-	-	-
Insurance recoveries	67,588	-	-	-
Total other financing sources (uses)	<u>(32,187,899)</u>	<u>15,710,764</u>	<u>-</u>	<u>-</u>
Net change in fund balances	5,299,207	6,333,885	(96,336)	21,446,253
Fund balances, beginning of year	44,421,509	8,855,094	3,519,541	143,334,044
Fund balances, end of year	<u>\$ 49,720,716</u>	<u>\$ 15,188,979</u>	<u>\$ 3,423,205</u>	<u>\$ 164,780,297</u>

Settlement Agreement	Eliminations	Total General Fund	
		2024	2023
\$ -	\$ -	\$ 340,988,284	\$ 326,138,528
-	-	59,333,496	59,312,256
-	(31,807,590)	158,348,448	148,770,572
1,569,926	(2,713,057)	10,454,853	3,767,140
-	-	24,874,921	23,670,734
<u>1,569,926</u>	<u>(34,520,647)</u>	<u>594,000,002</u>	<u>561,659,230</u>
-	(31,807,590)	442,486,968	420,178,243
668,770	-	90,833,100	87,260,691
-	-	4,055,703	20,406,000
-	-	6,117,899	12,871,462
-	(2,713,057)	145,032	469,807
<u>668,770</u>	<u>(34,520,647)</u>	<u>543,638,702</u>	<u>541,186,203</u>
<u>901,156</u>	<u>-</u>	<u>50,361,300</u>	<u>20,473,027</u>
2,668,000	(14,168,000)	5,431,948	3,097,603
-	14,168,000	(19,718,201)	(13,942,226)
-	-	268,002	18,711,118
-	-	141,528	2,730
-	-	67,588	234,163
<u>2,668,000</u>	<u>-</u>	<u>(13,809,135)</u>	<u>8,103,388</u>
3,569,156	-	36,552,165	28,576,415
28,928,828	-	229,059,016	200,482,601
<u>\$ 32,497,984</u>	<u>\$ -</u>	<u>\$ 265,611,181</u>	<u>\$ 229,059,016</u>

ORANGE COUNTY FIRE AUTHORITY
Components of General Fund
Combining Original Budget
Year ended June 30, 2024

	General Operating Fund	General Fund CIP	Structural Fire Entitlement	Self Insurance	Settlement Agreement	Eliminations	Total General Fund 2024
Budgetary fund balance, July 1	\$ 44,421,509	\$ 8,855,094	\$ 3,519,541	\$ 143,334,044	\$ 28,928,828	\$ -	\$ 229,059,016
Resources (inflows):							
Taxes	335,252,563	-	-	-	-	-	335,252,563
Intergovernmental	37,612,103	-	-	-	-	-	37,612,103
Charges for services	154,363,292	-	-	31,807,590	-	(31,807,590)	154,363,292
Use of money and property	1,833,560	-	-	3,654,090	677,054	(35,000)	6,129,704
Miscellaneous	1,270,000	-	-	-	-	-	1,270,000
Transfers in	-	11,500,000	-	-	2,668,000	(14,168,000)	-
Sale of capital assets	35,000	-	-	-	-	-	35,000
Total resources (inflows)	<u>530,366,518</u>	<u>11,500,000</u>	<u>-</u>	<u>35,461,680</u>	<u>3,345,054</u>	<u>(46,010,590)</u>	<u>534,662,662</u>
Amounts available for appropriations	<u>574,788,027</u>	<u>20,355,094</u>	<u>3,519,541</u>	<u>178,795,724</u>	<u>32,273,882</u>	<u>(46,010,590)</u>	<u>763,721,678</u>
Charges to appropriation (outflows):							
Salaries and benefits	447,036,666	-	-	-	-	(31,807,590)	415,229,076
Services and supplies	47,756,884	10,932,373	-	19,125,125	668,000	-	78,482,382
Capital outlay	1,281,742	2,012,388	-	-	-	-	3,294,130
Interest and fiscal charges	35,000	-	-	-	-	(35,000)	-
Transfers out	<u>33,886,201</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,168,000)</u>	<u>19,718,201</u>
Total charges to appropriations	<u>529,996,493</u>	<u>12,944,761</u>	<u>-</u>	<u>19,125,125</u>	<u>668,000</u>	<u>(46,010,590)</u>	<u>516,723,789</u>
Budgetary fund balance, June 30	<u>\$ 44,791,534</u>	<u>\$ 7,410,333</u>	<u>\$ 3,519,541</u>	<u>\$ 159,670,599</u>	<u>\$ 31,605,882</u>	<u>\$ -</u>	<u>\$ 246,997,889</u>

ORANGE COUNTY FIRE AUTHORITY
Components of General Fund
Combining Final Budget
Year ended June 30, 2024

	General Operating Fund	General Fund CIP	Structural Fire Entitlement	Self Insurance	Settlement Agreement	Eliminations	Total General Fund 2024
Budgetary fund balance, July 1	\$ 44,421,509	\$ 8,855,094	\$ 3,519,541	\$ 143,334,044	\$ 28,928,828	\$ -	\$ 229,059,016
Resources (inflows):							
Taxes	342,377,345	-	-	-	-	-	342,377,345
Intergovernmental	69,158,058	-	-	-	-	-	69,158,058
Charges for services	153,630,357	-	-	31,807,590	-	(31,807,590)	153,630,357
Use of money and property	2,596,422	-	125,221	4,672,207	999,688	(2,713,057)	5,680,481
Miscellaneous	34,902,605	-	-	-	-	-	34,902,605
Transfers in	1,431,948	15,500,000	-	-	2,668,000	(14,168,000)	5,431,948
Sale of capital assets	85,000	-	-	-	-	-	85,000
Insurance recoveries	57,500	-	-	-	-	-	57,500
Total resources (inflows)	<u>604,239,235</u>	<u>15,500,000</u>	<u>125,221</u>	<u>36,479,797</u>	<u>3,667,688</u>	<u>(48,688,647)</u>	<u>611,323,294</u>
Amounts available for appropriations	<u>648,660,744</u>	<u>24,355,094</u>	<u>3,644,762</u>	<u>179,813,841</u>	<u>32,596,516</u>	<u>(48,688,647)</u>	<u>840,382,310</u>
Charges to appropriations (outflows):							
Salaries and benefits	472,357,515	-	-	-	-	(31,807,590)	440,549,925
Services and supplies	87,582,775	20,150,906	3,509,336	19,125,125	2,207,000	-	132,575,142
Capital outlay	8,816,682	3,810,883	-	-	-	-	12,627,565
Interest and fiscal charges	2,713,057	-	-	-	-	(2,713,057)	-
Transfers out	33,886,201	-	-	-	-	(14,168,000)	19,718,201
Total charges to appropriations	<u>605,356,230</u>	<u>23,961,789</u>	<u>3,509,336</u>	<u>19,125,125</u>	<u>2,207,000</u>	<u>(48,688,647)</u>	<u>605,470,833</u>
Budgetary fund balance, June 30	<u>\$ 43,304,514</u>	<u>\$ 393,305</u>	<u>\$ 135,426</u>	<u>\$ 160,688,716</u>	<u>\$ 30,389,516</u>	<u>\$ -</u>	<u>\$ 234,911,477</u>

Orange County Fire Authority



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Fiduciary Funds

Pension and Other Employee Benefit Trust Funds

Extra Help Retirement Plan

OCFA administers a single-employer, defined benefit pension plan that provides retirement benefits for OCFA's less than half-time and extra help employees hired prior to July 1, 2018. Plan assets are accounted for in the Extra Help Retirement fiduciary fund.

Retiree Medical Plan

OCFA provides a single-employer, defined benefit plan for OCFA's full-time and part-time employees hired prior to January 1, 2007, which provides a monthly grant toward the cost of retirees' health insurance coverage. Plan assets are held in an irrevocable trust for the exclusive benefit of Plan participants and are administered by the Orange County Employees Retirement System (OCERS).

ORANGE COUNTY FIRE AUTHORITY
Fiduciary Funds
Pension and Other Employee Benefit Trust Funds
Combining Schedule of Fiduciary Net Position
June 30, 2024
(With Comparative Data for Prior Year)

	Extra Help	Retiree	Total Pension and Other	
	Retirement	Medical Plan	Employee Benefit Trust Funds	
			2024	2023
Assets:				
Cash and investments:				
Local Agency Investment Fund:				
Domestic fixed income	\$ 19,498	\$ -	\$ 19,498	\$ 18,558
Pooled amounts held in trust with OCERS	-	78,177,194	78,177,194	52,013,173
Total cash and investments	19,498	78,177,194	78,196,692	52,031,731
Receivables:				
Other receivables	-	31,337	31,337	19,889
Total assets	19,498	78,208,531	78,228,029	52,051,620
Liabilities:				
Accrued liabilities	-	828,059	828,059	1,019,027
Total liabilities	-	828,059	828,059	1,019,027
Net position restricted for:				
Pensions	19,498	-	19,498	18,558
Postemployment benefits other than pensions	-	77,380,472	77,380,472	51,014,035
Total net position	\$ 19,498	\$ 77,380,472	\$ 77,399,970	\$ 51,032,593

ORANGE COUNTY FIRE AUTHORITY
Fiduciary Funds
Pension and Other Employee Benefit Trust Funds
Combining Schedule of Changes in Fiduciary Net Position
Year ended June 30, 2024
(With Comparative Data for Prior Year)

	Extra Help Retirement	Retiree Medical Plan	Total Pension and Other Employee Benefit Trust Funds	
			2024	2023
Additions:				
Contributions:				
Employer	\$ 177	\$ 26,259,719	\$ 26,259,896	\$ 3,239,308
Plan members	-	1,458,412	1,458,412	1,628,619
Total contributions	177	27,718,131	27,718,308	4,867,927
Net investment income:				
Total investment income (loss)	763	7,905,035	7,905,798	(4,303,560)
Investment fees and expenses	-	(603,248)	(603,248)	(378,398)
Total net investment income (loss)	763	7,301,787	7,302,550	(4,681,958)
Total additions	940	35,019,918	35,020,858	185,969
Deductions:				
Benefits and refunds paid to plan members and beneficiaries	-	8,629,841	8,629,841	8,626,156
Administrative expenses	-	23,640	23,640	23,640
Total deductions	-	8,653,481	8,653,481	8,649,796
Change in net position	940	26,366,437	26,367,377	(8,463,827)
Net position, beginning of year	18,558	51,014,035	51,032,593	59,496,420
Net position, end of year	\$ 19,498	\$ 77,380,472	\$ 77,399,970	\$ 51,032,593

Orange County Fire Authority



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Statistical Section



ORANGE COUNTY FIRE AUTHORITY

Overview of the Statistical Section

The Statistical Section provides a context for understanding information in the financial statements, note disclosures and required supplementary information and how that information relates to the OCFA's overall financial health. The detailed schedules presented in the Statistical Section are grouped into five sections pertaining to financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information.

Financial Trends Information – These schedules contain trend information to assist the reader in understanding how the OCFA's financial performance and well-being have changed over time.

Revenue Capacity Information – These schedules contain information to assist the reader in assessing property taxes, the OCFA's most significant local revenue source.

Debt Capacity Information – These schedules present information to assist the reader in assessing the affordability of the OCFA's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to assist the reader in understanding the environment within which the OCFA's financial activities take place.

Operating Information – These schedules contain data to assist the reader in understanding how the information in the financial report relates to the services provided by and the activities performed by the OCFA.

Orange County Fire Authority



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ORANGE COUNTY FIRE AUTHORITY

Financial Trends Information

Net Position by Component – Presents net position of the OCFA's governmental activities by the three individual components of net position for each of the last ten fiscal years.

Changes in Net Position – Presents the changes in net position of governmental activities for each of the last ten fiscal years.

Fund Balances of Governmental Funds – Presents information on the fund balances of the General Fund and the aggregate of all other governmental funds for each of the last ten fiscal years.

Changes in Fund Balances of Governmental Funds – Presents information on the changes in fund balances for total governmental funds for each of the last ten fiscal years, including the ratio of debt service expenditures to noncapital expenditures.

ORANGE COUNTY FIRE AUTHORITY
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30			
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets (3)	\$ 190,114,806	\$ 187,626,070	\$ 191,938,023	\$ 207,687,629
Restricted (3)	1,789,593	2,870,622	3,843,218	3,910,033
Unrestricted (3)	<u>(361,028,772)</u>	<u>(351,160,610)</u>	<u>(372,555,288)</u>	<u>(511,051,108)</u>
	(1)			(2)
Total governmental activities net position	<u>\$ (169,124,373)</u>	<u>\$ (160,663,918)</u>	<u>\$ (176,774,047)</u>	<u>\$ (299,453,446)</u>

SOURCE: OCFA Annual Comprehensive Financial Reports

NOTES:

(1) GASB Statement No. 68 was implemented during Fiscal Year 2014/15, which required a \$362 million restatement to beginning net position in order to fully reflect net OCFA's net pension liabilities. This adjustment contributed to an overall negative balance in unrestricted net position as of June 30, 2015 and in subsequent fiscal years.

(2) GASB Statements No. 74, 75, and 85 were implemented during Fiscal Year 2017/18, which required a \$153 million restatement to beginning net position in order to fully reflect net OCFA's net OPEB liabilities. This adjustment contributed to the increased negative balance in unrestricted net position as of June 30, 2018 and thereafter.

(3) The components of net position have been revised for comparability with current fiscal year calculations. Amounts shown on this schedule for years prior to Fiscal Year 2023/24 may vary from the amounts originally reported in the financial statements.

(4) Restricted net position as of June 30, 2023, included \$16,931,500 in one-time state funding for a new hand crew facility and equipment.

2019	2020	2021	2022	2023	2024
\$ 217,203,906	\$ 216,942,270	\$ 213,676,416	\$ 212,695,383	\$ 208,153,667	\$ 205,581,885
4,057,904	6,330,588	7,541,066	10,098,718	29,869,988 (4)	32,160,903
<u>(519,332,124)</u>	<u>(497,937,656)</u>	<u>(428,729,431)</u>	<u>(269,600,526)</u>	<u>(175,626,750)</u>	<u>(28,606,459)</u>
<u>\$ (298,070,314)</u>	<u>\$ (274,664,798)</u>	<u>\$ (207,511,949)</u>	<u>\$ (46,806,425)</u>	<u>\$ 62,396,905</u>	<u>\$ 209,136,329</u>

ORANGE COUNTY FIRE AUTHORITY
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Governmental Activities	Fiscal Year Ended June 30			
	2015	2016	2017	2018
Expenses - public safety:				
Salaries and benefits	\$ 335,419,737	\$ 316,292,785	\$ 327,515,166	\$ 323,845,042
Services and supplies (5)	46,073,201	35,127,573	52,819,125	57,275,465
Depreciation and amortization	9,050,195	9,267,982	9,512,777	10,084,196
Interest on long-term debt (5)	582,565	917,320	133,239	70,751
Total program expenses	<u>391,125,698</u>	<u>361,605,660</u>	<u>389,980,307</u>	<u>391,275,454</u>
Program revenues - public safety:				
Charges for services	113,150,325	117,263,679	121,875,157	132,634,280
Operating grants and contributions (6)	11,410,019	12,149,525	11,939,823	13,812,567
Capital grants and contributions (6)	9,182,195	3,346,578	1,092,744	16,983,258
Total program revenues	<u>133,742,539</u>	<u>132,759,782</u>	<u>134,907,724</u>	<u>163,430,105</u>
Net program revenues (expenses)	<u>(257,383,159)</u>	<u>(228,845,878)</u>	<u>(255,072,583)</u>	<u>(227,845,349)</u>
General revenues:				
Property taxes	205,141,237	219,840,417	232,832,758	250,326,172
Investment income (4)	946,282	1,848,365	1,236,818	2,439,702
Gain on disposal of capital assets	63,953	6,000	657,944	719,372
Miscellaneous (4)	1,128,586	2,629,203	4,234,934	4,838,512
Total general revenues	<u>207,280,058</u>	<u>224,323,985</u>	<u>238,962,454</u>	<u>258,323,758</u>
Changes in net position	<u>\$ (50,103,101)</u>	<u>\$ (4,521,893)</u>	<u>\$ (16,110,129)</u>	<u>\$ 30,478,409</u>
	(1)			(2)

SOURCE: OCFA Annual Comprehensive Financial Reports

NOTES:

(1) GASB Statement No. 68 was implemented during Fiscal Year 2014/15, which required that pension expense be adjusted annually to fully reflect the accrual-based cost incurred during the year. OCFA recognized an increase to its pension expense totaling \$39.9 million during the year ended June 30, 2015. That amount is included within salaries and benefits.

(2) GASB Statements No. 74, 75 and 85 were implemented during Fiscal Year 2017/18, which required that OPEB expense be adjusted annually to fully reflect the accrual-based cost incurred during the year. During the year ended June 30, 2018, OCFA recognized a decrease to its salary and benefits totaling \$7.2 million due to the implementation of these GASB statements.

(3) The City of Garden Grove became a member city of OCFA during Fiscal Year 2019/20 (August 2019).

(4) Beginning in Fiscal Year 2020/21, lease revenues from the RFOTC cell tower and Fullerton Airport hangar were reported as investment income rather than miscellaneous revenue. Amounts shown on this schedule for previous fiscal years have also been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

2019	2020	2021	2022	2023	2024
\$ 339,249,853	\$ 352,573,221	\$ 331,869,650	\$ 249,802,878	\$ 346,185,496	\$ 336,724,804
62,877,930	84,600,263	82,656,535	93,210,654	100,752,172	96,221,088
10,531,098	12,137,499	12,961,222	13,232,063	25,712,134	19,734,587
11,444	-	92,442	86,161	1,661,133	1,920,719
<u>412,670,325</u>	<u>449,310,983</u>	<u>427,579,849</u>	<u>356,331,756</u>	<u>474,310,935</u>	<u>454,601,198</u>
128,320,646	156,740,363	169,343,205	174,072,175	173,110,122	188,438,426
15,436,645	28,982,930	31,237,944	38,183,350	52,676,947	47,156,686
471,615	4,143,033	1,417,160	507,114	18,576,840	1,753,932
<u>144,228,906</u>	<u>189,866,326</u>	<u>201,998,309</u>	<u>212,762,639</u>	<u>244,363,909</u>	<u>237,349,044</u>
<u>(268,441,419)</u>	<u>(259,444,657)</u>	<u>(225,581,540)</u>	<u>(143,569,117)</u>	<u>(229,947,026)</u>	<u>(217,252,154)</u>
264,267,387	277,721,815	290,310,882	302,861,759	326,138,528	340,988,284
4,494,924	3,374,813	462,789	(4,799,952)	5,388,518	14,812,211
-	12,641	174,666	17,777	-	-
<u>1,062,240</u>	<u>1,740,904</u>	<u>1,786,052</u>	<u>4,020,895</u>	<u>7,623,310</u>	<u>8,191,083</u>
<u>269,824,551</u>	<u>282,850,173</u>	<u>292,734,389</u>	<u>302,100,479</u>	<u>339,150,356</u>	<u>363,991,578</u>
<u>\$ 1,383,132</u>	<u>\$ 23,405,516</u>	<u>\$ 67,152,849</u>	<u>\$ 158,531,362</u>	<u>\$ 109,203,330</u>	<u>\$ 146,739,424</u>
	(3)				

(5) Beginning in Fiscal Year 2023/24, interest from lease liabilities was reported as interest on long-term debt rather than public safety services and supplies expense. Amounts shown on this schedule for previous fiscal years (Fiscal Year 2020/21 through 2022/23) have also been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

(6) Beginning in Fiscal Year 2023/24, revenues from the California Firefighter Joint Apprenticeship Committee have been adjusted to better reflect the nature of the contribution as capital instead of operating. Amounts shown on this schedule for previous fiscal years have been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

ORANGE COUNTY FIRE AUTHORITY
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	2015	2016	2017	2018
General Fund:				
Nondisposable	\$ 31,127,148	\$ 36,779,845	\$ 33,750,548	\$ 34,800,682
Restricted (1)	1,256,361	2,337,390	3,309,986	3,376,801
Committed	691,265	584,464	549,651	1,496,954
Assigned (1)	69,333,798	78,934,013	78,400,495	83,074,597
Unassigned	17,864,685	34,421,993	31,346,672	35,352,256
Total General Fund	<u>\$ 120,273,257</u>	<u>\$ 153,057,705</u>	<u>\$ 147,357,352</u>	<u>\$ 158,101,290</u>
All other governmental funds:				
Nondisposable	\$ 32,946	\$ -	\$ 4,608	\$ 25,216
Restricted	533,232	533,232	533,232	533,232
Assigned	56,050,351	55,779,948	65,015,386	59,924,778
Total all other governmental funds	<u>\$ 56,616,529</u>	<u>\$ 56,313,180</u>	<u>\$ 65,553,226</u>	<u>\$ 60,483,226</u>

SOURCE: OCFA Annual Comprehensive Financial Reports

NOTES:

(1) General Fund restricted and assigned fund balance totals have been revised for comparability with current fiscal year calculations. Amounts shown on this schedule for years prior to Fiscal Year 2021/22 may vary from the amounts originally reported in the financial statements.

2019	2020	2021	2022	2023	2024
\$ 36,732,385	\$ 42,700,572	\$ 41,707,145	\$ 35,424,785	\$ 32,542,882	\$ 35,493,078
3,666,427	5,939,111	7,106,303	9,487,598	12,044,728	14,450,688
1,338,850	1,288,272	1,120,950	4,301,785	3,519,541	3,423,205
94,306,294	106,306,363	119,954,162	132,511,586	154,226,631	180,728,874
32,680,670	34,353,935	20,391,894	18,756,847	26,725,234	31,515,336
<u>\$ 168,724,626</u>	<u>\$ 190,588,253</u>	<u>\$ 190,280,454</u>	<u>\$ 200,482,601</u>	<u>\$ 229,059,016</u>	<u>\$ 265,611,181</u>
\$ 13,725	\$ 4,247	\$ 14,255	\$ 5,087	\$ 25,589	\$ 35,999
391,477	391,477	434,763	611,120	30,171,716	18,609,808
45,076,939	42,451,644	49,295,111	42,895,548	50,696,852	49,519,462
<u>\$ 45,482,141</u>	<u>\$ 42,847,368</u>	<u>\$ 49,744,129</u>	<u>\$ 43,511,755</u>	<u>\$ 80,894,157</u>	<u>\$ 68,165,269</u>

ORANGE COUNTY FIRE AUTHORITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	2015	2016	2017	2018
Revenues:				
Taxes	\$ 205,141,237	\$ 219,840,417	\$ 232,832,758	\$ 250,326,172
Intergovernmental	23,565,214	25,978,081	29,069,065	37,063,147
Charges for services	102,000,677	103,830,436	106,061,060	108,750,420
Use of money and property (2)	947,940	1,865,616	1,503,122	2,827,492
Miscellaneous (1,2)	1,595,318	2,606,413	4,365,243	4,343,194
Developer contributions	8,307,207	3,233,082	962,627	3,545,139
Total revenues	<u>341,557,593</u>	<u>357,354,045</u>	<u>374,793,875</u>	<u>406,855,564</u>
Expenditures:				
Current - public safety:				
Salaries and benefits	285,988,997	294,414,084	309,507,433	340,720,267
Services and supplies (3)	40,490,370	36,303,618	48,087,618	49,871,973
Capital outlay	16,644,798	3,996,650	12,116,937	9,970,652
Debt service:				
Principal retirement (3)	2,276,963	2,336,279	2,397,140	2,459,589
Interest and fiscal charges (3)	585,501	935,881	400,887	459,924
Issuance costs	-	-	-	-
Total expenditures	<u>345,986,629</u>	<u>337,986,512</u>	<u>372,510,015</u>	<u>403,482,405</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,429,036)</u>	<u>19,367,533</u>	<u>2,283,860</u>	<u>3,373,159</u>
Other financing sources (uses):				
Transfers in	6,845,320	78,187	33,724,099	-
Transfers out	(6,845,320)	(78,187)	(33,724,099)	-
Issuance of financed purchase agreement	-	-	-	-
Issuance of leases and subscriptions	-	-	-	-
Sale of capital assets (1)	112,363	9,930	37,400	844,512
Insurance recoveries	32,948	121,288	1,218,433	1,456,267
Total other financing sources (uses)	<u>145,311</u>	<u>131,218</u>	<u>1,255,833</u>	<u>2,300,779</u>
Net change in fund balances	<u>\$ (4,283,725)</u>	<u>\$ 19,498,751</u>	<u>\$ 3,539,693</u>	<u>\$ 5,673,938</u>
Debt service as a percentage of noncapital expenditures	0.9%	1.0%	0.8%	0.7%

SOURCE: OCFA Annual Comprehensive Financial Reports

NOTES:

(1) Beginning in Fiscal Year 2018/19, proceeds from sale of certain non-capital assets were reported as miscellaneous revenue rather than sale of capital assets. Amounts shown on this schedule for previous fiscal years have also been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

(2) Beginning in Fiscal Year 2020/21, lease revenues from the RFOTC cell tower and Fullerton Airport hangar were reported as use of money and property rather than miscellaneous revenue. Amounts shown on this schedule for previous fiscal years have also been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

2019	2020	2021	2022	2023	2024
\$ 264,267,387	\$ 277,721,815	\$ 290,310,882	\$ 302,861,759	\$ 326,138,528	\$ 340,988,284
28,521,605	41,258,003	58,266,113	57,726,610	76,482,399	59,471,353
113,719,047	138,641,512	138,809,882	146,007,793	150,519,860	160,242,194
4,816,165	3,700,453	499,035	(4,799,952)	5,388,518	14,812,211
1,170,010	6,184,387	3,978,404	11,128,699	23,827,236	24,874,921
454,200	679,800	1,317,000	401,221	1,051,583	901,800
<u>412,948,414</u>	<u>468,185,970</u>	<u>493,181,316</u>	<u>513,326,130</u>	<u>583,408,124</u>	<u>601,290,763</u>
346,953,705	375,032,147	406,935,192	419,386,430	420,178,243	442,486,968
49,488,301	67,271,454	71,307,055	80,672,569	88,386,119	92,213,071
20,095,072	7,790,083	9,753,190	12,963,172	72,330,715	32,056,828
1,253,718	-	168,035	98,390	12,871,462	8,888,391
333,385	325,640	128,688	86,161	469,807	2,299,346
-	-	-	-	43,092	-
<u>418,124,181</u>	<u>450,419,324</u>	<u>488,292,160</u>	<u>513,206,722</u>	<u>594,279,438</u>	<u>577,944,604</u>
<u>(5,175,767)</u>	<u>17,766,646</u>	<u>4,889,156</u>	<u>119,408</u>	<u>(10,871,314)</u>	<u>23,346,159</u>
2,150,000	8,000,000	11,059,336	13,877,532	17,039,829	25,150,149
(2,150,000)	(8,000,000)	(11,059,336)	(13,877,532)	(17,039,829)	(25,150,149)
-	-	-	-	57,882,120	-
-	-	-	12,690	18,711,118	268,002
22,548	142,044	147,194	30,679	2,730	141,528
775,470	1,320,164	1,552,612	1,632,834	234,163	67,588
798,018	1,462,208	1,699,806	1,676,203	76,830,131	477,118
<u>\$ (4,377,749)</u>	<u>\$ 19,228,854</u>	<u>\$ 6,588,962</u>	<u>\$ 1,795,611</u>	<u>\$ 65,958,817</u>	<u>\$ 23,823,277</u>
0.4%	0.1%	0.1%	0.0%	2.6%	2.0%

(3) Beginning in Fiscal Year 2023/24, interest from lease liabilities was reported as debt service interest and fiscal charges rather than public safety services and supplies expenditures. Amounts shown on this schedule for previous fiscal years (Fiscal Year 2020/21 through 2022/23) have also been updated to reflect this change and may vary from the amounts originally reported in the financial statements.

Orange County Fire Authority



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ORANGE COUNTY FIRE AUTHORITY

Revenue Capacity Information

Assessed Value and Estimated Actual Value of Taxable Property – Presents information on the assessed property values of each city and the unincorporated area within the OCFA’s jurisdiction for each of the last ten fiscal years.

Property Tax Rates of Direct and Overlapping Governments – Presents the County of Orange’s direct property tax rate, as well as the rates of any overlapping governments that are applied to the same revenue base.

Principal Property Tax Payers – Presents information about the OCFA’s ten largest property tax payers for the current fiscal year, as compared to nine fiscal years ago.

Property Tax Levies and Collections – Presents information on the levy and subsequent collection of OCFA’s property taxes for each of the last ten fiscal years.

ORANGE COUNTY FIRE AUTHORITY
Assessed Value (1) and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(dollars in thousands)

Jurisdiction	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Buena Park	\$ 8,313,496	\$ 8,769,022	\$ 9,229,491	\$ 9,771,180
Garden Grove (4)	n/a	n/a	n/a	n/a
Placentia (5)	5,519,085	5,878,473	6,133,423	6,445,280
San Clemente	13,666,851	14,447,434	15,269,878	16,078,965
Santa Ana	22,075,383	23,013,226	23,886,126	25,232,515
Seal Beach	4,891,060	5,081,691	5,167,629	5,428,187
Stanton	2,297,508	2,433,266	2,569,937	2,679,870
Tustin	10,292,805	11,004,027	11,577,792	12,399,614
Westminster	7,628,669	8,279,644	8,410,335	8,907,507
Total cash contract cities (3)	74,684,857	78,906,783	82,244,611	86,943,118
Aliso Viejo	8,440,740	8,765,964	9,262,105	9,757,603
Cypress	6,104,218	6,463,650	6,751,019	7,049,085
Dana Point	9,787,132	10,513,667	11,209,516	12,184,560
Irvine	55,693,885	60,912,694	65,754,243	71,898,708
Laguna Hills	5,961,947	6,256,109	6,506,374	6,744,152
Laguna Niguel	13,270,851	14,015,647	14,571,803	15,341,994
Laguna Woods	2,424,736	2,620,217	2,772,774	2,949,710
Lake Forest	11,920,081	12,672,969	13,710,657	14,701,561
La Palma	1,829,353	1,904,950	1,998,105	2,042,167
Los Alamitos	1,778,110	1,887,771	1,961,259	2,068,339
Mission Viejo	14,533,544	15,262,434	15,835,376	16,538,595
Rancho Santa Margarita	7,231,597	7,572,862	7,810,951	8,247,183
San Juan Capistrano	6,443,224	6,828,239	7,190,143	7,600,135
Villa Park	1,527,255	1,596,806	1,674,085	1,755,259
Yorba Linda	12,668,130	13,488,124	14,098,053	14,862,265
Unincorporated	23,573,390	24,999,336	26,380,370	28,230,720
Total SFF jurisdictions (2)	183,188,193	195,761,439	207,486,833	221,972,036
Percentage change from prior year	7.45%	6.86%	5.99%	6.98%
Total assessed valuation	\$ 257,873,050	\$ 274,668,222	\$ 289,731,444	\$ 308,915,154
Total direct tax rate	0.11%	0.11%	0.11%	0.11%

SOURCE: County of Orange, Auditor-Controller, Assessed Valuations by Fiscal Year

http://acweb1.ocgov.com/ac/txfdr_Civica/av/

NOTES:

- (1) Assessed value is stated at taxable full cash value. These values may include an increased value over the base year for that portion of the city or district which lies within a redevelopment agency.
- (2) Assessed value for these cities is part of the Structural Fire Fund (SFF).
- (3) Cities pay for services on a cash contract basis. Assessed value is shown for comparison only.
- (4) The City of Garden Grove joined OCFA on August 16, 2019.
- (5) The City of Placentia was no longer a member of the OCFA beginning in Fiscal Year 2020/21.

FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
\$ 10,534,143	\$ 11,010,946	\$ 11,489,594	\$ 11,855,322	\$ 12,589,754	\$ 13,449,449
n/a	17,647,291	18,531,828	19,305,133	20,300,953	21,616,413
6,778,269	7,057,342	n/a	n/a	n/a	n/a
16,904,336	17,783,910	18,559,898	19,331,274	20,620,279	21,805,007
26,520,241	27,943,961	29,080,200	30,541,317	32,471,833	34,504,366
5,625,920	5,981,331	6,200,421	6,402,225	6,857,456	7,289,726
2,836,469	3,015,953	3,303,024	3,635,925	3,847,721	4,134,516
13,043,122	13,658,894	14,373,207	14,813,295	15,767,388	16,960,028
9,391,194	9,801,405	10,290,576	10,675,124	11,263,281	11,925,163
91,633,694	113,901,033	111,828,748	116,559,615	123,718,665	131,684,668
10,320,678	10,706,653	11,057,982	11,357,670	11,852,955	12,340,912
7,492,895	7,865,560	8,175,217	8,469,982	9,069,906	9,588,096
12,716,978	13,330,883	13,901,090	14,477,213	15,778,385	16,475,457
78,439,756	85,045,012	90,058,179	95,193,732	100,230,096	107,564,142
7,169,367	7,360,865	7,648,234	7,983,815	8,263,937	8,833,525
15,925,158	16,566,379	17,211,775	17,682,694	18,623,846	19,714,354
3,141,574	3,308,199	3,655,931	3,634,773	3,775,181	4,035,598
15,968,847	17,239,225	17,826,418	18,890,933	20,061,522	21,543,480
2,137,829	2,218,935	2,294,417	2,379,789	2,494,402	2,624,904
2,165,016	2,279,998	2,430,512	2,609,209	2,763,749	2,953,284
17,362,619	18,087,505	18,749,279	19,367,780	20,452,244	21,536,388
8,640,697	8,947,481	9,238,425	9,475,954	9,997,272	10,472,295
7,959,762	8,336,034	8,820,714	9,244,605	9,826,866	10,546,653
1,836,352	1,912,173	1,993,610	2,071,954	2,197,619	2,368,328
15,623,191	16,292,118	16,933,257	17,534,010	18,505,831	19,454,617
29,526,544	31,132,442	32,498,066	33,578,578	35,923,481	37,809,794
236,427,263	250,629,462	262,493,106	273,952,691	289,817,292	307,861,827
6.51%	6.01%	4.73%	4.37%	5.79%	6.23%
\$ 328,060,957	\$ 364,530,495	\$ 374,321,854	\$ 390,512,306	\$ 413,535,957	\$ 439,546,495
0.11%	0.11%	0.11%	0.11%	0.11%	0.11%

(6) In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

ORANGE COUNTY FIRE AUTHORITY
Property Tax Rates of Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	County of Orange (B)			OCFA (B)
	Overlapping	Direct		Direct
	Basic Operating Levy	Debt Service	Total	Basic Operating Levy
2015	1.00000	0.00000	1.00000	0.0011
2016	1.00000	0.00000	1.00000	0.0011
2017	1.00000	0.00000	1.00000	0.0011
2018	1.00000	0.00000	1.00000	0.0011
2019	1.00000	0.00000	1.00000	0.0011
2020	1.00000	0.00000	1.00000	0.0011
2021	1.00000	0.00000	1.00000	0.0011
2022	1.00000	0.00000	1.00000	0.0011
2023	1.00000	0.00000	1.00000	0.0011
2024	1.00000	0.00000	1.00000	0.0011
	(A)	(A)		(C)

SOURCE:

- (A) County of Orange, Auditor-Controller, Tax Rate Books by Fiscal Year
<https://ocauditor.gov/about/central-accounting/property-tax-accounting/tax-rate-book/>
- (B) Data for the entire County of Orange is not limited to the cities/unincorporated areas served by the Orange County Fire Authority. Data for OCFA is limited to its member cities that are part of the Structural Fire Fund (SFF).
- (C) Direct tax rate calculation per the "Assessed Value and Estimated Actual Value of Taxable Property" schedule included in this report.

NOTE: This schedule presents tax rates per \$100 of assessed/full cash value.

ORANGE COUNTY FIRE AUTHORITY
Principal Property Tax Payers
Current and Nine Years Ago
(Dollars in Thousands)

Property Tax Payer	Fiscal Year 2014/15 (A)			Fiscal Year 2023/24 (B)		
	Actual Taxes		Percent of	Actual Taxes		Percent
	Levied	Rank	Total Taxes Levied	Levied	Rank	of Total Taxes Levied
Irvine Company	\$ 106,692	1	1.97%	\$ 195,000	1	2.45%
Walt Disney Parks & Resorts U.S.	\$ 50,529	2	0.93%	\$ 75,440	2	0.94%
Southern California Edison Company (Edison International)	\$ 31,303	3	0.58%	\$ 68,683	3	0.74%
Sempra Energy (SDG&E, Southern California Gas)	\$ 4,727	9	0.09%	\$ 20,322	4	0.23%
United Laguna Hills Mutual (Laguna Woods)	\$ 7,825	5	0.14%	\$ 13,003	5	0.16%
BEX Portfolio, Inc.				\$ 9,030	6	0.11%
AES Corporation				\$ 8,497	7	0.10%
Bella Terra Associates, LLC				\$ 6,573	8	0.10%
LBA IV-PPI LLC (LBA Realty)				\$ 6,459	9	0.08%
B. Braun Medical, Inc.				\$ 6,435	10	0.08%
Heritage Fields El Toro	\$ 10,503	4	0.19%			
Pacific Bell Telephone Company (AT&T; SBC California)	\$ 7,672	6	0.14%			
Oxy USA, Inc.	\$ 6,977	7	0.13%			
OC/SD Holdings LLC	\$ 5,091	8	0.09%			
Linn Western Operating, Inc.	\$ 4,611	10	0.09%			

SOURCE:

(A) OCFA Annual Comprehensive Financial Report for Fiscal Year 2014/15, which was based on the County of Orange, Treasurer-Tax Collector's "Top 10 Secured Taxpayer List" for Fiscal Year 2014/15.

(B) County of Orange, Treasurer-Tax Collector, Top 20 Secured Taxpayer List for Fiscal Year 2022/23.

<http://www.ttc.ocgov.com/rptstats/stats>

Updated Fiscal Year 2023/24 data is not available from the County of Orange at the time of this report's publication.

NOTE:

This schedule presents data for the entire County of Orange and is not limited to the cities/unincorporated areas served by the Orange County Fire Authority.

ORANGE COUNTY FIRE AUTHORITY
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the		Collection of Prior		Collection of Penalties		Total Collection to		Collection of Property	
		Fiscal Year of Levy		Year Levies		and Interest		Date		Tax Increment Pass-Through (1)	
		Amount	% of Levy	Teeter Plan	Delinquencies and Other	Delinquency Penalties	Interest	Total Amounts Collected	% of Levy	RDA	H&S
2015	\$207,775	\$202,356	97.4%	\$ 1,336	\$ 50	\$ 32	\$ 38	\$203,812	98.1%	\$ 8,110	\$ 605
2016	\$224,452	\$216,219	96.3%	\$ 1,368	\$ 157	\$ 38	\$ 73	\$217,855	97.1%	\$ 9,180	\$ 639
2017	\$237,082	\$229,934	97.0%	\$ 1,329	\$ 140	\$ 35	\$ 105	\$231,543	97.7%	\$ 9,237	\$ 662
2018	\$253,371	\$246,607	97.3%	\$ 1,461	\$ 156	\$ 36	\$ 189	\$248,449	98.1%	\$ 11,095	\$ 694
2019	\$267,727	\$262,561	98.1%	\$ 1,737	\$ 149	\$ 42	\$ 248	\$264,737	98.9%	\$ 9,627	\$ 732
2020	\$280,282	\$273,453	97.6%	\$ 2,202	\$ 165	\$ 47	\$ 342	\$276,209	98.5%	\$ 13,256	\$ 774
2021	\$292,841	\$286,140	97.7%	\$ 1,825	\$ 257	\$ 68	\$ 206	\$288,496	98.5%	\$ 15,265	\$ 812
2022	\$308,133	\$299,004	97.0%	\$ 2,089	\$ 199	\$ 50	\$ 79	\$301,421	97.8%	\$ 16,897	\$ 325
2023	\$331,928	\$321,782	96.9%	\$ 2,336	\$ (78)	\$ 38	\$ 404	\$324,482	97.8%	\$ 16,846	\$ 870
2024	\$346,200	\$336,799	97.3%	\$ 2,498	\$ 414	\$ 90	\$ 853	\$340,654	98.4%	\$ 21,474	\$ 905

SOURCE:

County of Orange, Auditor-Controller, Tax Ledger Detail by Fiscal Year

Tax Ledger Selection C84 Orange County Fire Authority

https://tax.ocgov.com/acledger/report_eGov.asp

NOTES:

- (1) Upon dissolution of California redevelopment agencies during Fiscal Year 2011/12, property tax increment formerly remitted to OCFA by its member city redevelopment agencies was instead deposited into the newly formed Redevelopment Property Tax Trust Fund (RPTTF) from which the Auditor/Controller made disbursements on behalf of the successor agencies. There is no tax levy associated with these collections; thus, they have been excluded from the "% of levy collected" calculations.

ORANGE COUNTY FIRE AUTHORITY

Debt Capacity Information

Ratios of Outstanding Debt by Type – Presents information on the OCFA’s total outstanding debt for each of the last ten fiscal years, including the ratio of outstanding debt to median family income and the calculation of outstanding debt per capita.

The following schedules are not included in OCFA’s Annual Comprehensive Financial Report:

Computation of Legal Debt Margin – OCFA is not subject to a legal debt margin.

Ratios of General Bonded Debt Outstanding – OCFA has not had any bonded debt outstanding for the last ten fiscal years.

Pledged Revenue Coverage – Debt of OCFA is not secured by a pledged revenue stream.

Computation of Direct and Overlapping Debt – This schedule is not required for regional governments such as OCFA.

ORANGE COUNTY FIRE AUTHORITY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended June 30	Governmental Activities				County of Orange Median Household Income (C)	Debt as a Percentage of Household Income	Population - OCFA Jurisdiction Only (D)	Debt per Capita	
	Financed Purchase Agreements	Lease Liabilities (B)	Subscription Liabilities (B)	Total Outstanding Debt (A)					
2015	\$ 8,447	\$ -	\$ -	\$ 8,447	\$86	9822.1%	1,755	\$5	
2016	\$ 6,110	\$ -	\$ -	\$ 6,110	\$85	7188.2%	1,784	\$3	
2017	\$ 3,713	\$ -	\$ -	\$ 3,713	\$88	4219.3%	1,793	\$2	
2018	\$ 1,254	\$ -	\$ -	\$ 1,254	\$93	1348.4%	1,808	\$1	
2019	\$ -	\$ -	\$ -	\$ -	\$98	0.0%	1,808	\$0	
2020	\$ -	\$ 5,148	\$ -	\$ 5,148	\$103	4998.1%	1,966	\$3	(1)
2021	\$ -	\$ 4,980	\$ -	\$ 4,980	\$107	4654.2%	1,891	\$3	(2)
2022	\$ -	\$ 4,895	\$ -	\$ 4,895	\$119	4113.4%	1,910	\$3	
2023	\$ 57,882	\$ 10,734	\$ -	\$ 68,616	\$128	53606.3%	1,894	\$36	
2024	\$ 55,112	\$ 4,847	\$ 37	\$ 59,996	\$129	46508.5%	1,908	\$31	

SOURCES:

- (A) Details regarding OCFA's outstanding debt can be found in the notes to the financial statements.
- (B) OCFA implemented GASB 87 *Leases* during Fiscal Year 2020/21.
OCFA implemented GASB 96 *Subscription-Based Information Technology Arrangements* during Fiscal Year 2022/23.
- (C) U.S. Department of Housing and Urban Development, Income Limits Documentation System by Fiscal Year Median Family Income; Orange County, California (Santa Ana - Anaheim - Irvine, CA HUD Metro FMR Area)
<http://www.huduser.org/portal/datasets/il.html>
- (D) California Department of Finance, Table E-5, Population and Housing Estimates - Organized by Geography; As of
<http://www.dof.ca.gov/forecasting/demographics/estimates>

NOTES:

- (1) The population data presented in this schedule includes only the cities and unincorporated county areas served by the OCFA. Since the City of Garden Grove became a member of the OCFA in August 2019, its population data is included with population totals beginning in Fiscal Year 2019/20. The Fiscal Year 2019/20 population total includes 174,801 for the City of Garden Grove.
- (2) The population data presented in this schedule includes only the cities and unincorporated county areas served by the OCFA. Since the City of City of Placentia is no longer a member of the OCFA effective July 1, 2020, its population data is not included with population totals beginning in Fiscal Year 2020/21. The Fiscal Year 2020/21 population total excludes 51,173 for the City of Placentia.

ORANGE COUNTY FIRE AUTHORITY

Demographic and Economic Information

Demographic and Economic Indicators – Presents information regarding population, personal income, per capita income and the unemployment rate for the County of Orange for each of the last ten fiscal years.

Population and Housing Statistics – Presents information on population and housing units of each city and the unincorporated area within the OCFA's jurisdiction for the current fiscal year, as compared to nine fiscal years ago.

Principal Employers – Presents information about the ten largest employers within the County of Orange's jurisdiction for the current fiscal year, as compared to nine fiscal years ago.

ORANGE COUNTY FIRE AUTHORITY
Demographic and Economic Indicators
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year Ended June 30	Population of Orange County (A)	Total Personal Income (B)	Per Capita Income	Unemployment Rate (C)
2015	3,147	\$ 193,081,000	\$ 61,354	4.7
2016	3,183	\$ 200,783,000	\$ 63,080	4.3
2017	3,194	\$ 205,052,000	\$ 64,199	3.8
2018	3,221	\$ 212,807,000	\$ 66,069	3.2
2019	3,222	\$ 221,692,000	\$ 68,806	3.0
2020	3,194	\$ 240,734,000	\$ 75,371	13.1
2021	3,154	\$ 257,834,000	\$ 81,748	6.9
2022	3,162	\$ 263,290,000	\$ 83,267	3.2
2023	3,137	\$ 276,306,000	\$ 88,080	3.6
2024	3,151	\$ 286,490,000	\$ 90,920	4.0

SOURCES:

- (A) California Department of Finance
Table E-5, Population and Housing Estimates - Organized by Geography; As of January 1
<http://www.dof.ca.gov/forecasting/demographics/estimates>
- (B) Chapman University Economic & Business Review, December 2023
Table 11: Annual History and Forecasts 2019-2024
Years 2019 - 2023 have been updated with revised data available as of December 31, 2023.
The most recent year (2024) is a forecasted estimate.
- (C) Bureau of Labor Statistics
Local Area Unemployment Statistics, Anaheim-Santa Ana-Irvine, CA Metropolitan Division
<https://www.bls.gov/data/>
Figures reflect revised inputs, re-estimation, and new statewide control, if applicable. Unemployment rate is the monthly rate for June of the applicable fiscal year (i.e., June 2024 for FY 2023/24). The amount reported for the most recent fiscal year is based on preliminary BLS data.

NOTE:

Data presented on this schedule is for the County of Orange and is not limited to the cities/county unincorporated areas served by the OCFA.

ORANGE COUNTY FIRE AUTHORITY
Population and Housing Statistics
Current and Nine Years Ago

Jurisdiction	Population			Housing Units		
	2015	2024	% Change	2015	2024	% Change
Aliso Viejo	50,204	50,068	-0.3%	19,354	20,189	4.3%
Buena Park	82,767	82,689	-0.1%	24,726	25,999	5.1%
Cypress	49,184	49,345	0.3%	16,155	17,088	5.8%
Dana Point	34,208	32,596	-4.7%	15,972	16,542	3.6%
Garden Grove	(1) 174,774	171,024	-2.1%	47,727	49,972	4.7%
Irvine	250,384	314,550	25.6%	92,961	126,524	36.1%
Laguna Hills	30,994	30,315	-2.2%	10,996	11,434	4.0%
Laguna Niguel	64,836	64,291	-0.8%	25,456	28,136	10.5%
Laguna Woods	16,652	17,148	3.0%	13,079	13,414	2.6%
Lake Forest	80,070	86,917	8.6%	27,454	31,993	16.5%
La Palma	15,965	15,071	-5.6%	5,234	5,277	0.8%
Los Alamitos	11,779	11,947	1.4%	4,380	4,552	3.9%
Mission Viejo	96,652	91,304	-5.5%	34,619	35,301	2.0%
Rancho Santa Margarita	49,125	46,305	-5.7%	17,309	17,606	1.7%
San Clemente	65,399	62,297	-4.7%	26,116	26,794	2.6%
San Juan Capistrano	36,223	34,992	-3.4%	12,215	12,758	4.4%
Santa Ana	335,264	310,797	-7.3%	77,477	83,161	7.3%
Seal Beach	24,684	24,350	-1.4%	14,535	14,678	1.0%
Stanton	39,219	40,297	2.7%	11,323	12,592	11.2%
Tustin	79,601	78,844	-1.0%	27,262	28,649	5.1%
Villa Park	5,960	5,705	-4.3%	2,020	2,035	0.7%
Westminster	92,106	89,490	-2.8%	27,738	28,420	2.5%
Yorba Linda	67,719	66,087	-2.4%	22,974	23,801	3.6%
Unincorporated	124,014	131,335	5.9%	40,151	45,098	12.3%
Total OCFA, adjusted	(1) 1,877,783	1,907,764	1.6%	617,233	682,013	10.5%
Total non-OCFA	(2) 1,269,872	1,243,071	-2.1%	452,217	475,412	5.1%
Total Orange County	3,147,655	3,150,835	0.1%	1,069,450	1,157,425	8.2%
Total OCFA, adjusted	1,877,783			617,233		
Less: Garden Grove totals	(174,774)			(47,727)		
Plus: Placentia totals	52,427			17,098		
Total OCFA, actual as reported nine years ago	1,755,436	1,907,764	8.7%	586,604	682,013	16.3%

SOURCE: California Department of Finance, Table E-5, Population and Housing Estimates - Organized by Geography

<http://www.dof.ca.gov/forecasting/demographics/estimates>

As of January 1, 2015 and 2024

NOTE:

- (1) Before Garden Grove became an OCFA member city in August 2019, the city's data was included in the "non-OCFA" total. However, Garden Grove's 2015 data has been identified separately for comparison purposes.
- (2) Prior to Fiscal Year 2020/21, data for the City of Placentia was presented separately as an OCFA member. Effective July 1, 2020, the city is no longer a member of OCFA and its data is combined in the "non-OCFA" total. Placentia's 2015 data has also been reported in the "non-OCFA" total for comparison purposes.

ORANGE COUNTY FIRE AUTHORITY
Principal Employers
Current and Nine Years Ago

Employer	Fiscal Year 2014/15			Fiscal Year 2023/24		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Walt Disney Co.	25,000	1	1.56%	34,000	1	2.11%
University of California, Irvine	22,253	2	1.39%	24,867	2	1.54%
County of Orange	18,035	3	1.12%	18,576	3	1.15%
Providence Southern California				13,037	4	0.81%
Kaiser Permanente	6,040	6	0.38%	9,592	5	0.59%
Hoag Memorial Hospital Presbyterian				7,888	6	0.49%
Albertsons				7,633	7	0.47%
Target Corporation	5,400	10	0.34%	6,000	8	0.37%
Allied Universal				5,929	9	0.37%
Walmart, Inc.	6,000	8	0.37%	5,900	10	0.37%
St. Joseph Health System	12,062	4	0.75%			
Boeing Co.	6,890	5	0.43%			
Bank of America Corporation	6,000	7	0.37%			
MemorialCare (MemorialCare Health Systems)	5,635	9	0.35%			

SOURCE:

County of Orange Annual Comprehensive Financial Report for Fiscal Year 2022/23

For years ended June 30, 2023 and 2014

Amounts are reported one year in arrears due to availability of data at time of publication of this document.

<http://acdcweb01.ocgov.com/reports/acfrreports/>

NOTE:

Data presented on this schedule is for the County of Orange and is not limited to the cities/county unincorporated areas served by the OCFA.

ORANGE COUNTY FIRE AUTHORITY

Operating Information

Authorized Positions by Unit – Presents the number of authorized positions by unit for each of the last ten fiscal years.

Frozen Positions by Unit – Presents the number of frozen positions by unit as of June 30 for each of the last ten fiscal years.

Jurisdiction Information – Presents information on the OCFA’s member agencies, square mile area served, population served, and number of fire stations for each of the last ten fiscal years.

Incidents by Major Category Definitions – Provides OCFA’s definitions for categories of major incidents.

Incidents by Type – Presents the number of OCFA major incidents by category for each of the last ten fiscal years.

Incidents by Member Agency – Presents the number of OCFA major incidents by member agency for each of the last ten fiscal years.

Capital Equipment by Category – Presents the historical cost and quantity of capital equipment by category for each of the last ten fiscal years.

Capital Vehicles by Category – Presents the historical cost and quantity of capital vehicles by category for each of the last ten fiscal years.

Map of Division/Battalion Boundaries and Station Locations – This Orange County map identifies the areas included within OCFA’s jurisdiction, the boundaries of its divisions/battalions, and the locations of all OCFA fire stations.

List of Stations by Member Agency – Presents a list of OCFA fire stations and street addresses by member agency.

Description of the Organization, Programs and Service Delivery – Provides an overview of the activities and responsibilities carried out by each of the OCFA’s departments.

ORANGE COUNTY FIRE AUTHORITY
Authorized Positions by Unit
Last Ten Fiscal Years

Unit	As of June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Firefighter	1,011	1,023	1,023	1,048	1,153	1,152	1,151	1,158	1,184	1,187
Fire Management	45	45	45	45	52	53	53	54	53	54
General	205	213	213	211	252	248	248	246	248	250
Supervisory Management	27	27	27	30	32	33	34	34	34	34
Supported Employment	4	4	4	4	4	4	4	4	4	4
Administrative Management	44	43	43	43	41	46	47	50	50	50
Executive Management	8	8	8	7	10	10	10	10	11	11
Subtotal	1,344	1,363	1,363	1,388	1,544	1,546	1,547	1,556	1,584	1,590
Board Director	-	-	-	25	25	25	25	25	25	25
Total authorized positions	<u>1,344</u>	<u>1,363</u>	<u>1,363</u>	<u>1,413</u>	<u>1,569</u>	<u>1,571</u>	<u>1,572</u>	<u>1,581</u>	<u>1,609</u>	<u>1,615</u>
Funded positions:										
General Operating Fund	<u>1,244</u>	<u>1,274</u>	<u>1,284</u>	<u>1,400</u>	<u>1,566</u>	<u>1,541</u>	<u>1,540</u>	<u>1,577</u>	<u>1,596</u>	<u>1,603</u>
Total funded positions	<u>1,244</u>	<u>1,274</u>	<u>1,284</u>	<u>1,400</u>	<u>1,566</u>	<u>1,541</u>	<u>1,540</u>	<u>1,577</u>	<u>1,596</u>	<u>1,603</u>
Unfunded positions:										
Unbudgeted positions	3	3	3	-	-	-	-	-	-	-
Frozen	<u>97</u>	<u>86</u>	<u>76</u>	<u>13</u>	<u>3</u>	<u>30</u>	<u>32</u>	<u>4</u>	<u>13</u>	<u>12</u>
Total unfunded positions	<u>100</u>	<u>89</u>	<u>79</u>	<u>13</u>	<u>3</u>	<u>30</u>	<u>32</u>	<u>4</u>	<u>13</u>	<u>12</u>
Total authorized positions	<u>1,344</u>	<u>1,363</u>	<u>1,363</u>	<u>1,413</u>	<u>1,569</u>	<u>1,571</u>	<u>1,572</u>	<u>1,581</u>	<u>1,609</u>	<u>1,615</u>
Increase (decrease) from prior fiscal year:										
Total funded positions	4	30	10	116	166	(25)	(1)	37	19	7
Total unfunded positions	<u>(3)</u>	<u>(11)</u>	<u>(10)</u>	<u>(66)</u>	<u>(10)</u>	<u>27</u>	<u>2</u>	<u>(28)</u>	<u>9</u>	<u>(1)</u>
Total authorized positions	<u>1</u>	<u>19</u>	<u>-</u>	<u>50</u>	<u>156</u>	<u>2</u>	<u>1</u>	<u>9</u>	<u>28</u>	<u>6</u>
				(1)	(2)				(3)	

SOURCE: OCFA Treasury Division, Budget Section

NOTES:

- (1) During Fiscal Year 2017/18, Board Members were converted into employee positions and added to the authorized position control (25 positions).
- (2) The net increase of total authorized positions during Fiscal Year 2018/19 included 99 authorized positions for employees transitioning from the City of Garden Grove (74 Firefighter Unit, 3 Fire Management Unit, 22 General Unit).
- (3) The net increase of total authorized positions during Fiscal Year 2022/23 included 20 authorized positions for a state-funded hand crew (20 Firefighter Unit).

ORANGE COUNTY FIRE AUTHORITY
Frozen Positions by Unit
Last Ten Fiscal Years

Unit / Position	As of June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Firefighter Unit:										
Fire Apparatus Engineer	24	21	20	-	-	6	6	-	-	-
Fire Captain	27	24	22	3	1	7	7	1	1	1
Fire Pilot	1	1	1	-	-	-	-	-	-	-
Firefighter	18	18	18	-	-	15	15	-	-	-
Hand Crew Firefighter Limited Term	-	-	-	-	-	-	-	-	9	9
Heavy Fire Equipment Operator	1	1	1	-	-	-	-	-	-	-
Total Firefighter Unit	71	65	62	3	1	28	28	1	10	10
Fire Management Unit:										
Fire Battalion Chief	2	2	1	-	-	-	-	-	-	-
Total Fire Management Unit	2	2	1	-	-	-	-	-	-	-
General Unit:										
Accountant	1	1	-	-	-	-	-	-	-	-
Administrative Assistant	5	4	1	1	-	-	-	-	-	-
Business Analyst	1	1	-	-	-	-	-	-	-	-
Communications Installer	-	-	-	-	-	-	1	1	1	1
Communications Installer (Part-Time)	-	-	-	-	-	-	1	1	1	1
Fire Equipment Technician	1	1	-	-	-	-	-	-	-	-
Fire Prevention Analyst	4	4	4	2	-	-	-	-	-	-
Human Resources Analyst	1	-	-	-	-	-	-	-	-	-
Office Services Specialist	3	-	-	-	1	1	1	-	-	-
Senior Fire Prevention Specialist	2	2	2	2	-	-	-	-	-	-
Total General Unit	18	13	7	5	1	1	3	2	2	2
Supervisory Management Unit:										
Assistant Fire Marshal	1	1	1	1	-	-	-	-	-	-
Information Technology Supervisor	1	-	-	-	-	-	-	-	-	-
Senior Fire Communications Supervisor	-	-	-	1	-	-	-	-	-	-
Total Supervisory Management Unit	2	1	1	2	-	-	-	-	-	-
Administrative Management Unit:										
Assistant IT Manager	-	1	1	1	-	-	-	-	-	-
Benefits Services Manager	-	-	1	-	-	-	-	-	-	-
Management Analyst	1	1	1	1	-	-	-	-	-	-
ODT Program Manager	-	-	-	-	1	1	1	1	1	-
Senior Accountant	2	2	2	1	-	-	-	-	-	-
Senior Human Resources Analyst	1	1	-	-	-	-	-	-	-	-
Total Administrative Management Unit	4	5	5	3	1	1	1	1	1	-
Total frozen positions	97	86	76	13	3	30	32	4	13	12

SOURCE: Orange County Fire Authority, Treasury Division, Budget Section

ORANGE COUNTY FIRE AUTHORITY
Jurisdiction Information
Last Ten Fiscal Years

	(A)	(B)	(C)	(A)	New and Closed Station(s)	
Fiscal Year Ended June 30	Number of Member Agencies	Square Mile Area Served	Population Served	Number of Stations (1)	+/-	Description
2015	24	571	1,755,436	71	-	
2016	24	576	1,783,505	72	1	New Station 56 (County/Rancho Mission Viejo)
2017	24	576	1,793,040	72	-	
2018	24	576	1,807,862	72	-	
2019	24	576	1,807,560	72	-	
2020	25	593	1,966,019	79	7	New Stations 80 through 86 (Garden Grove) (2)
2021	24	587	1,891,414	77	(2)	Removed Stations 34 and 35 (Placentia) (3)
2022	24	587	1,910,233	77	-	
2023	24	586	1,894,382	78	1	New Temporary Station 67 (County/Rancho Mission Viejo)
2024	24	586	1,907,764	78	-	

SOURCES:

- (A) Orange County Fire Authority, Clerk of the Authority
- (B) Orange County Fire Authority, Geographic Information Systems
- (C) California Department of Finance
Table E-5, Population and Housing Estimates - Organized by Geography; As of January 1
<http://www.dof.ca.gov/forecasting/demographics/estimates>

NOTES:

- (1) Includes two specialty stations for airport rescue fire fighting (ARFF) services and helicopter operations.
- (2) The City of Garden Grove became an OCFA member city in Fiscal Year 2019/20.
- (3) The City of Placentia was no longer an OCFA member city effective Fiscal Year 2020/21.

ORANGE COUNTY FIRE AUTHORITY
Incidents by Major Category Definitions

Fire: This category includes fire responses, even if the fire has been extinguished upon arrival. This category also includes combustion explosions with no resulting fire. Examples of this category include structure fires, rubbish fires, dumpster fires, and vehicle fires.

Rupture/Explosion: This category includes vessels or containers that suffer failure or near failure due to extreme pressure from either an outside source, such as direct heating, or internally due to a cooling system failure or over-filling, such as a propane tank. Examples of this category also include explosions from bombs, dynamite, or similar explosives.

Rescue/EMS: This category includes all medical aids, illness, and heart attacks, as well as traffic accidents and missing persons.

Hazardous Condition: This category includes Hazardous Materials incidents; electrical wire arcing; suspected drug labs; or situations where there is a perceived problem that may prove to be a potential emergency.

Service Call: This category includes incidents for persons in distress, such as a lock-in or lock-out of a vehicle or dwelling creating an emergency situation or critical need, and smoke or odor problems. This category would also include moving units from one station to another to provide area coverage.

Good Intent: This category includes incidents that are cleared prior to arrival, such as a medical aid where the injured party has left the scene, or the initial information indicated that there were injuries and upon arrival no persons were injured. This category may also include calls where the informant has mistaken steam for smoke.

False Alarm: Some examples of the incidents in this category are malicious mischief calls, system malfunctions, and the accidental tripping of an interior alarm sensor or device.

Natural Disaster: This category includes incidents that are not normal occurrences, such as earthquakes, lightning strikes, hurricanes, and other weather or natural events.

SOURCE: Orange County Fire Authority, Emergency Command Center & Emergency Strategic Services Divisions

ORANGE COUNTY FIRE AUTHORITY
Incidents by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30 (1)	Fire	Rupture/ Explosion	Rescue/ EMS	Hazardous Condition	Service Call	Good Intent	False Alarm	Natural Disaster	Other	Total
2015	1,898	229	94,740	1,220	6,996	12,046	6,515	5	345	123,994
2016	2,338	197	102,994	1,314	7,921	13,261	6,575	6	9	134,615
2017	2,372	192	106,679	1,466	7,819	14,207	6,644	37	67	139,483
2018	2,651	147	110,327	1,163	7,955	14,010	6,060	3	68	142,384
2019	2,161	154	111,044	1,322	6,948	14,353	7,016	13	589	143,600
2020	2,313	226	114,758	1,348	7,978	18,532	7,482	12	137	152,786 (2)
2021	2,688	221	113,735	1,317	8,777	18,737	6,616	27	171	152,289 (2,3)
2022	2,863	177	127,367	1,203	9,406	21,444	6,973	22	144	169,599
2023	2,536	130	133,591	1,139	9,879	22,286	7,723	42	157	177,483
2024	2,625	67	134,683	1,112	10,582	24,550	8,076	49	135	181,879

SOURCE:

Orange County Fire Authority, Emergency Command Center & Emergency Strategic Services Divisions

NOTES:

(1) Response statistics are normally reported on a calendar year basis in other reports. These statistics have been reported on the fiscal year basis, July through June.

(2) The City of Garden Grove joined the OCFA effective August 16, 2019. Fiscal Year 2019/20 data is reported only for the portion of the fiscal year during which the city was a member of OCFA. Fiscal Year 2020/21 data includes the first full year of Garden Grove activity.

(3) Effective July 1, 2020, the City of Placentia was no longer a member of the OCFA.

ORANGE COUNTY FIRE AUTHORITY
Incidents by Member Agency
Last Ten Fiscal Years

Member	Fiscal Year Ended June 30 (1)									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Aliso Viejo	2,420	2,511	2,654	2,810	2,871	3,022	3,172	3,347	3,666	4,017
Buena Park	6,569	7,016	7,053	7,193	7,242	7,175	7,363	8,347	8,481	8,285
Cypress	2,833	3,013	3,145	3,238	3,292	3,215	3,162	3,631	3,765	3,793
Dana Point	3,297	3,291	3,663	3,717	3,399	3,343	3,334	3,692	3,820	3,887
Garden Grove (2)	n/a	n/a	n/a	n/a	n/a	11,288	13,557	15,217	15,477	15,707
Irvine	13,875	14,688	15,967	16,325	16,797	16,481	15,704	18,744	19,938	20,404
La Palma	1,036	1,059	1,212	1,303	1,282	1,224	1,210	1,352	1,362	1,407
Laguna Hills	2,675	2,887	3,078	3,303	3,303	3,122	3,263	3,842	3,878	3,990
Laguna Niguel	3,584	3,861	4,054	3,947	4,192	4,421	4,268	4,918	5,246	5,282
Laguna Woods	4,847	5,319	5,636	5,281	5,342	4,967	5,353	5,548	5,706	5,918
Lake Forest	4,651	4,995	5,474	5,333	5,335	5,378	5,629	6,426	6,506	6,632
Los Alamitos	1,254	1,380	1,360	1,477	1,468	1,405	1,363	1,553	1,534	1,585
Mission Viejo	7,072	7,508	7,777	8,041	7,989	7,718	7,512	8,864	9,504	9,346
Placentia (3)	2,981	3,132	3,325	3,609	3,564	3,616	n/a	n/a	n/a	n/a
Rancho Santa Margarita	2,254	2,415	2,447	2,542	2,366	2,521	2,518	2,574	2,915	3,008
San Clemente	4,668	5,080	5,311	5,239	5,069	4,999	5,168	5,657	5,820	5,817
San Juan Capistrano	3,164	3,629	3,899	3,931	3,786	3,571	3,552	4,090	4,263	4,543
Santa Ana	21,465	23,455	25,074	26,707	27,518	27,335	27,493	29,340	31,274	32,243
Seal Beach	3,783	4,882	4,753	4,591	4,216	4,300	4,276	4,760	4,937	4,816
Stanton	3,113	3,413	3,396	3,284	3,343	3,645	3,701	4,134	4,357	4,338
Tustin	5,205	5,406	5,419	5,470	5,748	5,623	5,780	6,392	6,406	6,413
Villa Park	378	452	475	448	480	469	448	450	491	534
Westminster	6,880	7,442	7,560	7,702	7,772	7,945	8,357	9,053	9,152	9,203
Yorba Linda	3,547	3,716	3,747	4,059	4,146	4,023	4,168	4,520	5,023	4,714
Unincorporated	6,496	6,719	7,390	7,437	7,573	7,788	8,065	8,733	9,358	9,498
	<u>118,047</u>	<u>127,269</u>	<u>133,869</u>	<u>136,987</u>	<u>138,093</u>	<u>148,594</u>	<u>148,416</u>	<u>165,184</u>	<u>172,879</u>	<u>175,380</u>
Auto/Mutual										
Aid Given	<u>5,947</u>	<u>7,346</u>	<u>5,614</u>	<u>5,397</u>	<u>5,507</u>	<u>4,192</u>	<u>3,873</u>	<u>4,415</u>	<u>4,604</u>	<u>6,499</u>
Total	<u>123,994</u>	<u>134,615</u>	<u>139,483</u>	<u>142,384</u>	<u>143,600</u>	<u>152,786</u>	<u>152,289</u>	<u>169,599</u>	<u>177,483</u>	<u>181,879</u>

Orange County Fire Authority, Emergency Command Center & Emergency Strategic Services Divisions

NOTES:

(1) Response statistics are normally reported on a calendar year basis in other reports. These statistics have been reported on the fiscal year basis, July through June.

(2) The City of Garden Grove joined the OCFA effective August 16, 2019. Fiscal Year 2019/20 data is reported only for the portion of the fiscal year during which the city was a member of OCFA. Fiscal Year 2020/21 data includes the first full year of Garden Grove activity.

(3) Effective July 1, 2020, the City of Placentia was no longer a member of the OCFA.

ORANGE COUNTY FIRE AUTHORITY
Capital Equipment by Category
Last Ten Fiscal Years

Category	June 30, 2015		June 30, 2016	
	Historical Cost	Quantity	Historical Cost	Quantity
Air fill station	\$ 53,179	2	\$ 53,179	2
Aboveground storage tank	678,014	8	678,014	8
Audio visual equipment	734,581	20	734,581	20
Boat	31,515	4	31,515	4
Breathing Apparatus	-	-	-	-
Camera, thermal imaging	1,167,318	107	1,115,772	102
Camera, other	33,713	4	44,264	5
Communications equipment	1,458,744	39	1,523,812	51
Computer	90,386	6	90,386	6
Defibrillator	1,526,069	105	1,526,069	105
Exercise equipment	35,622	5	35,622	5
Fleet equipment	189,888	17	252,867	24
Forklift	93,177	3	93,177	3
Generator	504,562	22	504,562	22
GPS equipment (AVL regional interoperability projects)	1,391,000	2	1,391,000	2
Hazmat equipment	479,786	26	479,786	26
Helicopters and improvements:				
Helicopter	28,854,977	4	28,854,977	4
Helicopter, rotor blades	319,149	4	319,149	4
Helicopter, fast fin kits	148,104	2	148,104	2
Helicopter, flight director	-	-	-	-
Helicopter, multi-band radio upgrade	-	-	-	-
Helicopter equipment	942,245	43	942,245	43
Hydraulic tool	468,400	67	490,913	69
Kitchen equipment	33,403	4	33,403	4
Laptop	29,058	5	23,832	4
Manikin	67,452	11	67,452	11
Miscellaneous equipment	702,500	52	735,503	55
Mobile radio project (FY 2003/04 - FY 2004/05)	2,424,594	1	2,424,594	1
Mobile radio	82,659	14	88,700	16
Mobile radio, mobile data computer (MDC)	-	-	-	-
Network equipment	1,288,223	29	1,294,452	30
Office equipment	632,865	6	632,865	6
Portable building	352,872	17	352,872	17
Portable radio	143,605	27	138,477	26
Printer	72,039	6	72,039	6
Projector	10,372	2	10,372	2
Router	37,405	4	72,745	8
Scanner	5,489	1	5,489	1
Search equipment	210,657	14	236,657	16
Server	1,000,858	69	1,211,242	72
Software	9,176,979	50	10,502,153	53
Switch	312,760	17	349,909	20
Tablet	5,455	1	24,882	4
Tent	122,237	12	122,237	12
Trailer	523,455	18	523,455	18
Workstation	1,641,243	25	1,641,243	25
	<u>\$ 58,076,609</u>	<u>875</u>	<u>\$ 59,874,567</u>	<u>914</u>

SOURCE: Orange County Fire Authority, Finance Division, General Accounting Unit

June 30, 2017		June 30, 2018		June 30, 2019	
Historical Cost	Quantity	Historical Cost	Quantity	Historical Cost	Quantity
\$ 53,179	2	\$ 53,179	2	\$ 53,179	2
678,014	8	678,014	8	678,014	8
734,581	20	734,581	20	734,581	20
64,986	6	80,606	7	80,606	7
-	-	-	-	20,394	4
1,107,655	101	1,198,258	111	1,251,200	117
44,264	5	44,264	5	44,264	5
1,702,712	83	1,689,198	81	1,696,094	82
25,900	4	25,900	4	25,900	4
5,312,042	229	3,802,620	121	4,089,086	130
40,790	6	40,790	6	40,790	6
284,885	27	261,714	28	294,849	29
134,138	4	134,138	4	134,138	4
504,562	22	504,562	22	504,562	22
1,391,000	2	1,391,000	2	1,391,000	2
479,786	26	479,786	26	500,242	30
28,854,977	4	28,854,977	4	28,854,977	4
319,149	4	319,149	4	319,149	4
148,104	2	148,104	2	213,749	3
-	-	168,804	2	168,804	2
-	-	-	-	183,096	2
995,953	46	1,003,199	47	1,003,199	47
535,309	72	1,108,303	148	905,931	119
26,394	3	26,394	3	20,395	2
17,957	3	17,957	3	17,957	3
67,452	11	75,129	12	32,371	5
798,762	59	891,816	67	978,892	74
2,424,594	1	2,424,594	1	2,424,594	1
88,700	16	88,700	16	99,592	18
196,398	30	196,398	30	385,726	60
1,294,452	30	1,294,452	30	1,294,452	30
632,865	6	642,985	7	685,053	9
352,872	17	352,872	17	687,025	20
138,477	26	138,477	26	400,892	71
68,552	6	68,552	6	77,501	7
10,372	2	5,153	1	5,153	1
72,745	8	72,745	8	72,745	8
5,489	1	5,489	1	5,489	1
258,921	18	258,921	18	258,921	18
936,541	57	1,150,118	72	944,725	48
10,491,277	52	10,491,277	52	10,538,302	56
349,909	20	356,521	21	514,813	58
24,882	4	24,882	4	24,882	4
154,551	13	180,849	15	194,207	16
465,143	18	572,659	21	656,551	22
1,641,243	25	1,641,243	25	1,647,704	26
<u>\$ 63,930,534</u>	<u>1,099</u>	<u>\$ 63,699,329</u>	<u>1,110</u>	<u>\$ 65,155,746</u>	<u>1,211</u>

(Continued on next page)

ORANGE COUNTY FIRE AUTHORITY
Capital Equipment by Category
(Continued)

Category	June 30, 2020		June 30, 2021	
	Historical Cost	Quantity	Historical Cost	Quantity
Air fill station	\$ 53,179	2	\$ 79,266	4
Aboveground storage tank	678,014	8	678,014	8
Audio visual equipment	734,581	20	240,142	12
Boat	80,606	7	80,606	7
Breathing Apparatus	20,394	4	20,394	4
Camera, thermal imaging	1,360,096	131	1,360,096	131
Camera, other	44,264	5	44,264	5
Communications equipment	3,919,452	83	3,919,452	83
Computer	34,261	5	28,490	4
Defibrillator	4,334,152	138	4,334,152	138
Exercise equipment	40,790	6	40,790	6
Fleet equipment	292,914	29	292,914	29
Forklift	134,138	4	222,642	5
Generator	504,562	22	463,592	20
GPS equipment (AVL regional interoperability projects)	1,391,000	2	1,391,000	2
Hazmat equipment	801,854	32	828,743	36
Helicopters and improvements:				
Helicopter	28,854,977	4	28,854,977	4
Helicopter, rotor blades	319,149	4	319,149	4
Helicopter, fast fin kits	213,749	3	213,749	3
Helicopter, flight director	168,804	2	168,804	2
Helicopter, multi-band radio upgrade	366,193	4	366,193	4
Helicopter equipment	1,003,199	47	1,020,261	48
Hydraulic tool	882,673	113	849,580	108
Kitchen equipment	20,395	2	20,395	2
Laptop	12,081	2	12,081	2
Manikin	109,410	13	109,410	13
Miscellaneous equipment	2,580,791	197	2,715,740	210
Mobile radio project (FY 2003/04 - FY 2004/05)	2,424,594	1	2,424,594	1
Mobile radio	136,527	23	136,527	23
Mobile radio, mobile data computer (MDC)	385,726	60	512,370	80
Network equipment	1,294,452	23	1,294,452	23
Office equipment	685,053	9	685,053	9
Portable building	980,837	28	974,765	27
Portable radio	400,892	71	907,709	161
Printer	66,101	6	82,274	7
Projector	5,153	1	5,153	1
Router	58,132	7	58,132	7
Scanner	5,489	1	5,489	1
Search equipment	258,921	18	302,246	21
Server	870,201	41	887,375	42
Software	10,666,466	50	10,751,591	45
Switch	522,347	59	574,594	61
Tablet	24,882	4	24,882	4
Tent	226,055	18	226,055	18
Trailer	836,564	25	1,024,838	30
Workstation	1,698,204	27	1,687,318	28
	<u>\$ 70,502,274</u>	<u>1,361</u>	<u>\$ 71,240,313</u>	<u>1,483</u>

June 30, 2022		June 30, 2023		June 30, 2024	
Historical Cost	Quantity	Historical Cost	Quantity	Historical Cost	Quantity
\$ 79,266	4	\$ 79,266	4	\$ 79,266	4
678,014	8	678,014	8	678,014	8
240,142	12	220,674	9	208,121	8
80,606	7	80,606	7	120,259	9
20,394	4	20,394	4	20,394	4
1,360,096	131	1,360,096	131	790,849	67
44,264	5	33,093	4	33,093	4
3,878,507	82	3,248,381	62	3,248,381	62
28,490	4	22,622	3	38,221	6
4,334,152	138	4,334,152	138	4,334,152	138
25,407	3	39,060	5	65,684	9
292,914	29	302,355	30	302,355	30
222,642	5	287,192	8	328,312	12
474,569	20	475,241	20	465,842	19
1,391,000	2	1,391,000	2	1,391,000	2
839,070	38	578,164	25	946,016	37
28,854,977	4	21,560,759	2	78,578,219	4
319,149	4	-	-	-	-
213,749	3	148,104	2	148,104	2
168,804	2	168,804	2	168,804	2
366,193	4	224,419	2	224,419	2
1,042,935	49	873,116	45	1,021,609	50
911,957	116	953,286	121	1,013,434	127
20,395	2	20,395	2	20,395	2
5,981	1	5,288	1	5,288	1
109,410	13	109,410	13	91,364	10
2,712,871	208	2,870,247	219	3,759,738	276
2,424,594	1	2,424,594	1	2,424,594	1
379,216	53	319,045	42	1,574,989	182
652,656	102	1,107,095	172	1,230,905	191
1,294,452	23	1,294,452	10	1,303,112	11
676,989	8	662,535	8	667,696	8
1,006,388	31	1,076,842	40	1,104,631	45
925,089	163	904,577	159	904,577	159
82,274	7	66,851	6	72,233	7
5,153	1	5,153	1	5,153	1
58,132	7	46,765	6	46,765	6
5,489	1	5,489	1	5,489	1
333,137	25	294,669	22	310,725	23
887,375	42	708,858	38	973,327	46
10,751,591	45	11,096,458	46	13,670,497	47
574,594	61	552,723	59	545,908	58
24,882	4	24,882	4	24,882	4
215,377	16	215,377	16	255,158	17
1,533,274	38	1,922,379	47	2,008,265	49
1,687,318	28	1,668,388	27	1,668,388	27
<u>\$ 72,233,934</u>	<u>1,554</u>	<u>\$ 64,481,270</u>	<u>1,574</u>	<u>\$ 126,878,627</u>	<u>1,778</u>

ORANGE COUNTY FIRE AUTHORITY
Capital Vehicles by Category
Last Ten Fiscal Years

Category	June 30, 2015		June 30, 2016	
	Historical Cost	Quantity	Historical Cost	Quantity
Air Utility	\$ 820,733	4	\$ 820,733	4
Ambulance	573,194	4	573,194	4
Battalion Chief Vehicle	1,518,914	29	2,098,087	42
Brush Chipper	34,289	2	103,545	3
Crew-Carrying Vehicle	452,373	4	452,373	4
Dump Truck	66,366	1	66,366	1
Fire Command	674,655	3	674,655	3
Fire Dozer	550,978	2	550,978	2
Foam Tender	152,245	1	152,245	1
Fuel Tender	376,164	3	376,164	3
Hazmat Unit	1,077,646	3	1,077,646	3
Heavy Equipment Vehicle	184,392	2	184,392	2
Heavy Rescue Unit	658,107	1	679,608	1
Hose Tender	103,189	1	103,189	1
Lift Truck	71,780	1	71,780	1
Paramedic Van	1,860,604	22	1,860,604	22
Patrol	1,539,901	19	1,539,901	19
Patrol, Compressed Air Foam System (CAFS)	858,456	12	858,456	12
Pickup Truck	2,081,006	53	2,327,501	63
Sedan	44,994	2	-	-
Squad	578,998	7	578,998	7
Stakeside	34,289	1	34,289	1
Sport Utility Vehicle (SUV)	2,505,905	92	2,621,995	93
Telesquirt	1,736,407	5	1,736,407	5
Towing Tug	-	-	-	-
Transport Tractor	506,673	5	506,673	5
Truck, 90', 100' and 110' Tractor Drawn Aerials	4,938,110	7	4,948,930	8
Truck, 75' Quint	3,124,257	6	3,124,257	6
Truck, 90' Quint	3,062,553	6	3,062,553	6
Truck, 100' Quint	2,354,146	2	2,354,146	2
Truck, Other	768,076	11	768,076	11
Truck, Compressed Air Foam System (CAFS)	44,058	2	44,058	2
Type 1 Engine	28,442,065	90	30,580,415	94
Type 1 Wildland Urban Interface Engine	3,451,627	8	3,451,627	8
Type 2 Engine	152,610	1	152,610	1
Type 3 Engine	4,653,221	13	4,653,221	13
Utility	145,169	3	145,169	3
Van	451,395	19	451,395	19
Water Tender	753,535	5	753,535	5
	<u>\$ 71,403,080</u>	<u>452</u>	<u>\$ 74,539,771</u>	<u>480</u>

SOURCE: Orange County Fire Authority, Finance Division, General Accounting Unit

NOTE: Beginning in Fiscal Year 2020/21, vehicles categorized as "Loader" and "Road Grader" were combined into a single category called "Heavy Equipment Vehicle." Amounts and quantities shown on this schedule for previous fiscal years have also been updated to reflect this change and may vary from the information originally reported in previous reports.

June 30, 2017		June 30, 2018		June 30, 2019	
Historical Cost	Quantity	Historical Cost	Quantity	Historical Cost	Quantity
\$ 820,733	4	\$ 820,733	4	\$ 820,733	4
573,194	4	573,194	4	573,194	4
2,161,593	42	2,224,326	42	2,468,254	46
84,438	2	84,438	2	84,438	2
452,373	4	447,373	3	447,373	3
66,366	1	66,366	1	66,366	1
674,655	3	674,655	3	674,655	3
550,978	2	550,978	2	550,978	2
152,245	1	152,245	1	152,245	1
376,164	3	376,164	3	376,164	3
939,162	2	939,162	2	939,162	2
184,392	2	252,434	3	252,434	3
679,608	1	679,608	1	679,608	1
103,189	1	-	-	-	-
71,780	1	71,780	1	71,780	1
1,860,604	22	1,566,150	19	1,566,150	19
1,539,901	19	1,791,780	20	1,791,780	20
858,456	12	858,456	12	858,456	12
3,213,233	85	3,275,670	86	3,726,138	98
-	-	-	-	-	-
496,839	6	1,074,089	9	1,465,052	11
34,289	1	34,289	1	34,289	1
2,602,271	92	2,224,726	79	2,186,521	77
1,736,407	5	1,387,635	4	1,038,862	3
-	-	-	-	-	-
506,673	5	506,673	5	506,673	5
6,641,223	9	9,236,148	11	17,609,131	17
3,124,257	6	3,124,257	6	3,124,257	6
3,062,553	6	3,062,553	6	3,062,553	6
2,354,146	2	2,354,146	2	2,354,146	2
804,028	11	790,798	11	790,798	11
44,058	2	44,058	2	44,058	2
32,151,624	94	32,151,624	94	37,752,647	103
3,451,627	8	3,451,627	8	3,451,627	8
152,610	1	152,610	1	152,610	1
4,653,221	13	4,653,221	13	4,653,221	13
145,169	3	145,169	3	145,169	3
435,224	18	435,224	18	649,798	26
753,535	5	753,535	5	753,535	5
<u>\$ 78,512,818</u>	<u>498</u>	<u>\$ 80,987,894</u>	<u>487</u>	<u>\$ 95,874,855</u>	<u>525</u>

(Continued on next page)

ORANGE COUNTY FIRE AUTHORITY
Capital Vehicles by Category
(Continued)

Category	June 30, 2020		June 30, 2021	
	Historical Cost	Quantity	Historical Cost	Quantity
Air Utility	\$ 1,216,732	5	\$ 1,216,732	5
Ambulance	-	-	-	-
Battalion Chief Vehicle	2,603,667	48	2,566,931	47
Brush Chipper	160,272	3	160,272	3
Crew-Carrying Vehicle	447,373	3	1,668,656	7
Dump Truck	66,366	1	66,366	1
Fire Command	674,655	3	674,655	3
Fire Dozer	1,112,241	3	1,112,241	3
Foam Tender	152,245	1	152,245	1
Fuel Tender	376,164	3	376,164	3
Hazmat Unit	939,162	2	939,162	2
Heavy Equipment Vehicle	418,917	5	598,591	6
Heavy Rescue Unit	679,608	1	739,608	2
Hose Tender	-	-	-	-
Lift Truck	71,780	1	71,780	1
Paramedic Van	1,468,553	18	1,302,899	16
Patrol	1,791,780	20	1,631,773	18
Patrol, Compressed Air Foam System (CAFS)	858,456	12	858,456	12
Pickup Truck	5,190,357	130	5,593,216	143
Sedan	-	-	45,800	2
Squad	1,465,052	11	1,465,052	11
Stakeside	34,289	1	131,961	2
Sport Utility Vehicle (SUV)	1,889,421	59	1,819,287	58
Telesquirt	-	-	-	-
Towing Tug	-	-	-	-
Transport Tractor	1,093,171	8	1,093,171	8
Truck, 90', 100' and 110' Tractor Drawn Aerials	18,802,835	18	18,734,735	17
Truck, 75' Quint	2,694,556	5	2,694,556	5
Truck, 90' Quint	3,062,553	6	3,062,553	6
Truck, 100' Quint	2,354,146	2	2,354,146	2
Truck, Other	1,138,258	13	1,072,345	12
Truck, Compressed Air Foam System (CAFS)	44,058	2	44,058	2
Type 1 Engine	43,198,345	113	42,220,704	108
Type 1 Wildland Urban Interface Engine	3,451,627	8	3,451,627	8
Type 2 Engine	-	-	-	-
Type 3 Engine	4,653,221	13	6,238,675	16
Utility	145,169	3	944,947	10
Van	557,619	22	785,038	27
Water Tender	753,535	5	1,639,178	7
	<u>\$ 103,566,183</u>	<u>548</u>	<u>\$ 107,527,580</u>	<u>574</u>

June 30, 2022		June 30, 2023		June 30, 2024	
Historical Cost	Quantity	Historical Cost	Quantity	Historical Cost	Quantity
\$ 1,823,844	6	\$ 1,823,844	6	\$ 1,823,844	6
-	-	-	-	-	-
2,566,931	47	2,566,931	47	2,531,418	46
160,272	3	160,272	3	145,091	2
1,668,656	7	1,668,656	7	1,595,465	6
66,366	1	66,366	1	66,366	1
674,655	3	674,655	3	674,655	3
1,112,241	3	1,112,241	3	1,112,241	3
684,408	2	532,163	1	532,163	1
376,164	3	376,164	3	888,252	4
939,162	2	939,162	2	939,162	2
598,591	6	784,424	7	784,424	7
739,608	2	739,608	2	739,608	2
-	-	-	-	-	-
71,780	1	71,780	1	71,780	1
1,302,899	16	1,302,899	16	901,927	11
1,631,773	18	1,631,773	18	1,459,265	15
858,456	12	858,456	12	858,456	12
5,593,216	143	5,925,900	145	6,555,330	162
45,800	2	45,800	2	45,800	2
1,465,052	11	1,465,052	11	1,465,052	11
131,961	2	131,961	2	131,961	2
1,852,332	57	1,948,966	59	2,047,116	59
-	-	-	-	-	-
-	-	-	-	185,796	2
1,093,171	8	1,093,171	8	1,093,171	8
18,734,735	17	18,734,735	17	18,734,735	17
2,694,556	5	2,694,556	5	2,694,556	5
3,062,553	6	3,062,553	6	3,062,553	6
3,634,249	3	3,634,249	3	8,442,111	6
1,072,345	12	1,950,598	15	2,076,561	16
44,058	2	44,058	2	44,058	2
47,750,808	116	51,210,148	121	51,210,148	121
3,451,627	8	3,451,627	8	3,451,627	8
-	-	-	-	-	-
6,238,675	16	6,238,675	16	6,238,675	16
944,947	10	944,947	10	896,357	9
901,145	28	901,145	28	1,294,348	31
1,639,178	7	1,639,178	7	1,958,175	8
<u>\$ 115,626,214</u>	<u>585</u>	<u>\$ 120,426,713</u>	<u>597</u>	<u>\$ 126,752,247</u>	<u>613</u>

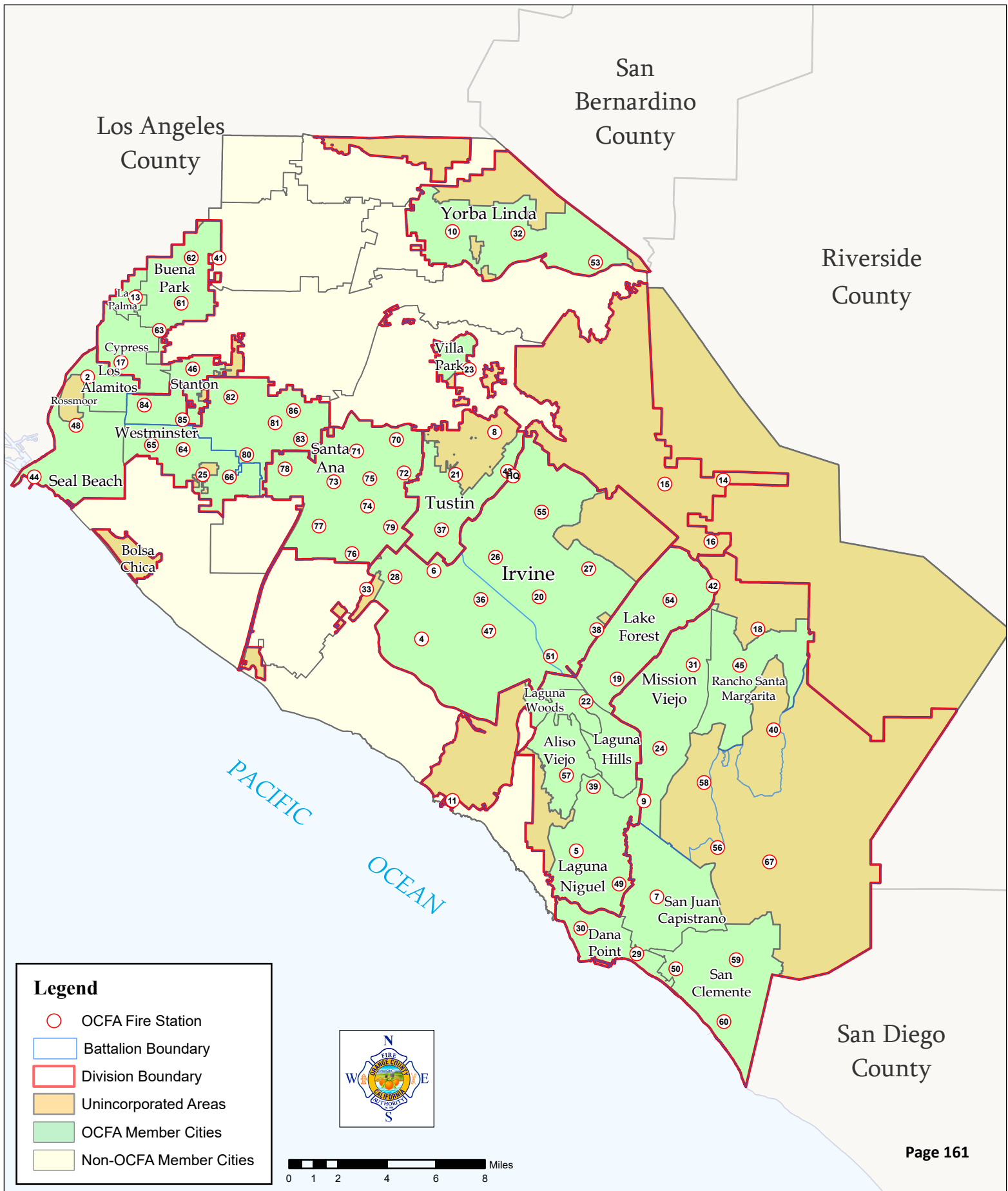
Orange County Fire Authority



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ORANGE COUNTY FIRE AUTHORITY

Division and Battalion Boundaries and Station Locations
As of June 30, 2024



ORANGE COUNTY FIRE AUTHORITY
List of Stations by Member Agency
As of June 30, 2024



City of Aliso Viejo
#57, 57 Journey, 92656



City of Buena Park
#61, 7440 La Palma Ave. 90620
#62, 7780 Artesia Blvd. 90621
#63, 9120 Holder St. 90620



City of Cypress
#17, 4991 Cerritos Ave. 90630



City of Dana Point
#29, 26111 Victoria Blvd. 92624
#30, 23831 Stonehill Dr. 92629



City of Garden Grove
#80, 14162 Forsyth Ln. 92844
#81, 112611 Acacia Pkwy. 92840
#82, 11805 Gilbert St. 92841
#83, 12132 Trask Ave. 92843
#84, 12191 Valley View St. 92845
#85, 12751 Western Ave. 92841
#86, 12232 West St. 92840



City of Irvine
#4, 2 California Ave. 92612
#6, 3180 Barranca Pkwy. 92606
#20, 7050 Corsair, 92618
#26, 4691 Walnut Ave. 92604
#27, 12400 Portola Springs 92618
#28, 17862 Gillette Ave. 92614
#36, 301 E. Yale Loop 92604
#38, 26 Parker 92618
#47, 47 Fossil 92603
#51, 18 Cushing 92618
#55, 4955 Portola Pkwy. 92620



City of La Palma
#13, 7822 Walker St. 90623



Cities of Laguna Hills and Laguna Woods
#22, 24001 Paseo de Valencia, Laguna Hills 92653



City of Laguna Niguel
#5, 23600 Pacific Island Dr. 92677
#39, 24241 Avila Rd. 92677
#49, 31461 Golden Lantern St. 92677



City of Lake Forest
#19, 23022 El Toro Rd. 92630
#42, 19150 Ridgeline Rd., 92679
#54, 19811 Pauling Ave., 92610



City of Los Alamitos
#2, 3642 Green Ave. 90720



City of Mission Viejo
#9, #9 Shops at Mission Viejo 92691
#24, 25272 Marguerite Pkwy. 92692
(Temporary Site)
#31, 22426 Olympiad Rd. 92692



City of Rancho Santa Margarita
#45, 30131 Aventura 92688



City of San Clemente
#50, 670 Camino de Los Mares 92672
#59, 59 Avenida La Pata 92673
#60, 121 Avenida Victoria 92672

ORANGE COUNTY FIRE AUTHORITY
List of Stations by Member Agency
As of June 30, 2024, (Continued)



City of San Juan Capistrano
#7, 31865 Del Obispo 92675



- City of Santa Ana**
#70, 2301 Old Grand 92701
#71, 1029 West 17th St. 92706
#72, 1688 East 4th St. 92701
#73, 419 Franklin 92703
#74, 1427 South Broadway 92707
#75, 120 West Walnut 92701
#76, 950 West MacArthur 92707
#77, 2317 South Greenville 92704
#78, 501 North Newhope 92703
#79, 1320 East Warner 92705



- City of Seal Beach**
#44, 718 Central Ave. 90740
#48, 3131 N. Gate Rd. 90740



- City of Stanton**
#46, 7871 Pacific St. 90680



- City of Tustin**
#37, 15011 Kensington Park Dr. 92780
#43, 11490 Pioneer Way 92782



- City of Villa Park**
#23, 5020 Santiago Canyon Rd. 92869



- City of Westminster**
#64, 7351 Westminster Blvd. 92683
#65, 6061 Hefley St. 92683
#66, 15061 Moran St. 92683



- City of Yorba Linda**
#10, 18422 E. Lemon Dr. 92886
#32, 20990 Yorba Linda Blvd. 92887
#53, 25415 La Palma Ave. 92887



- County of Orange, Unincorporated**
#8, 10631 Skyline Dr.,
Santa Ana 92705

- #11, 259 Emerald Bay,
Laguna Beach 92651

- #14, P.O. Box 12,
Silverado 92676

- #15, 27172 Silverado Canyon Rd.,
Silverado 92676

- #16, 28891 Modjeska Canyon Rd.,
Silverado 92676

- #18, 30942 Trabuco Canyon Rd.,
Trabuco Canyon 92679

- #21, 1241 Irvine Blvd.,
Tustin 92780

- #25, 8171 Bolsa Ave.,
Midway City 92655

- #40, 25082 Vista del Verde,
Coto de Caza 92679

- #56, 56 Sendero Way,
Rancho Mission Viejo 92694

- #58, 58 Station Way,
Ladera Ranch 92694

- #67, 31544 Cow Camp Road,
Rancho Mission Viejo 92694

Specialty Stations



Airport Rescue Fire Fighting (ARFF)

- #33, 374 Paularino,
Costa Mesa 92626



Helicopter Operations

- #41, 3900 W. Artesia Ave.,
Fullerton 92633

Other Facilities



Urban Search & Rescue

- 19682 Descartes,
Foothill Ranch 92610

ORANGE COUNTY FIRE AUTHORITY
Description of the Organization, Programs and Service Delivery
As of June 30, 2024

Orange County Fire Authority (OCFA) is managed by an Executive Management team consisting of an appointed Fire Chief, two Deputy Chiefs, seven Assistant Chiefs, and one Director. Assistant Chiefs oversee service activities that are organized into seven primary departments – Field Operations North, Field Operations South, Emergency Medical Services (EMS) and Training, Business Services, Community Risk Reduction, Human Resources, and Logistics – which are further organized into divisions, battalions, sections, units, and/or programs to effectively carry out the mission of the OCFA. OCFA’s overall structure is organized and managed as follows:

OCFA Fire Chief
 Bureau..... Deputy Chief
 DepartmentAssistant Chief
 DivisionAssistant Chief, Director, Division Chief, or Division Manager
 Battalion / Section / Unit / Program Battalion Chief, Section Manager, or Unit Manager

EXECUTIVE MANAGEMENT

Executive Management provides direction to areas of the organization and ensures that the types and levels of services provided are consistent with Board policy and the adopted budget. OCFA contracts with the firm of Woodruff & Smart located in Costa Mesa, California for its legal services. General Counsel reports directly to the Board of Directors.

CORPORATE COMMUNICATIONS

Corporate Communications, which is overseen by a Director reporting directly to the Fire Chief, facilitates public information and media relations, and provides support to Executive Management staff on special projects designed to keep the public and other agencies informed about OCFA.

- The **Public Information Officer (PIO)** serves as the spokesperson for OCFA during major incidents and ensures that the public is kept informed through the release of accurate and timely information, news releases, and board advisories.
- **Multimedia** is responsible for meeting all OCFA audio, video, and photographic needs.
- **Community Education** facilitates public safety education and awareness through large-scale educational campaigns and community outreach events.

EMERGENCY OPERATIONS BUREAU

COMMAND & EMERGENCY PLANNING DIVISION

The **Command & Emergency Planning Division**, which is overseen by a Division Chief reporting directly to the Deputy Chief of the Emergency Operations Bureau, provides the following services:

- The **Emergency Command Center (ECC)** serves as a secondary 9-1-1 Public Safety Answering Point (PSAP) and dispatch center for fire and medical emergencies by answering emergency calls, identifying the nature and location of the emergency, and dispatching resources. The ECC also serves as the Operational Area Coordinator for fire and rescue mutual aid for all Orange County fire service agencies.
- **Emergency Planning and Coordination (EPAC)** is primarily responsible for emergency management planning, serving as the OCFA’s representative to the Operational Area Emergency Operations Center (Loma Ridge) and the Operational Area Fire Mutual Aid Representative to the California Office of Emergency Services Region I Office.

FIELD OPERATIONS DEPARTMENTS – NORTH AND SOUTH

The **Field Operations Departments (North and South)** provide command and control direction regarding daily operations and all fire suppression activities, as well as specialized programs for safety personnel. There are seven operational field divisions, each under the command of a Division Chief. Divisions are divided into field battalions, which are under the command of Battalion Chiefs. Within these

field battalions are 78 fire stations, including two specialty stations, that provide for regional emergency response to structure fires, medical aids, rescues, hazardous materials incidents, and wildland fires. Activities and additional responsibilities of each department include the following:

FIELD OPERATIONS DEPARTMENT NORTH

- **Division 1 – Battalion 1** primarily serves the cities of Los Alamitos, Seal Beach, and Westminster, as well as the unincorporated communities of Midway City and Rossmore. **Battalion 11** primarily serves the city of Garden Grove. Division 1 also assists with the provision of emergency services to Seal Beach Naval Weapons Station and the Joint Forces Training Base in Los Alamitos.
- **Division 4 – Battalion 2** primarily serves the city of Yorba Linda, as well as the unincorporated communities of Carbon Canyon, Chino Hills State Park, and Tonner Canyon. **Battalion 3** primarily serves the cities Tustin and Villa Park, as well as the unincorporated communities of Cowan Heights, El Modena, Lemon Heights, Orange Park Acres, Modjeska Canyon, Santiago Canyon, and Silverado Canyon. **Community Volunteer Services (CVS)** coordinates the Reserve Firefighters (RFF) program, the OCFA Chaplain Program, and the Fire Cadet Program.
- **Division 6 – Battalion 9** primarily serves the city of Santa Ana.
- **Division 7 – Battalion 8** primarily serves the cities of Buena Park, Cypress, La Palma, and Stanton.
- The **Hazardous Materials Program** provides administration, oversight, and training for the Hazardous Materials Response Team (HMRT) and the Fire and Law Enforcement Joint Hazard Assessment Team (JHAT).
- **Investigations** conducts fire investigations and evaluations and initiates early intervention strategies. Other responsibilities include administration of the Fire F.R.I.E.N.D.S. diversion program for juvenile-related fires; OCFIRS quality assurance; state and national reporting; and oversight of the Orange County Intelligence and Assessment Center (OCIA).

FIELD OPERATIONS DEPARTMENT SOUTH

- **Division 2 – Battalion 5 and Battalion 10** primarily serve the city of Irvine, as well as the unincorporated community of Santa Ana Heights. Division 2 provides emergency services to the University of California, Irvine (UCI), John Wayne Airport (JWA), and the Orange County Great Park. The division also provides oversight for Airport Rescue Fire Fighting (ARFF) services. The division is also responsible for coordinating all grants received from the Office of Homeland Security.
- **Division 3 – Battalion 6** primarily serves the cities of Dana Point, San Clemente, and San Juan Capistrano, as well as the unincorporated community of Rancho Mission Viejo and areas along Ortega Highway in southern Orange County. **Battalion 7** primarily serves the cities of Mission Viejo and Rancho Santa Margarita, as well as the unincorporated communities of Coto de Caza, Ladera Ranch, Las Flores, and Trabuco Canyon. Division 3 provides oversight for the OCFA Apparatus Committee.
- **Division 5 – Battalion 4** primarily serves the cities of Aliso Viejo, Laguna Hills, Laguna Niguel, Laguna Woods, and Lake Forest, as well as the unincorporated community of Emerald Bay. Division 5 oversees the Staffing Program, which ensures 24/7 staffing levels at all stations; the Staffing Committee; the employee transfer process within the Operations Department; and the OCFA Equipment Committee.
- **Air Operations** is responsible for coordination and maintenance of OCFA's firefighting helicopters, which are used for emergency responses for wildland and wildland urban interface fires and special rescues such as swift and still water rescues, medical rescue support, and disaster mitigation.
- The **Urban Search & Rescue (US&R) Program** provides specialized emergency response capabilities and equipment for the federal US&R task force, the Swift Water Rescue program, and the Mass Casualty Unit.
- **Wildland Operations** oversees the coordination of firefighting hand crews and heavy fire equipment.

EMS AND TRAINING DEPARTMENT

The **EMS and Training Department** provides emergency medical and specialized training programs for safety personnel. Specific activities and responsibilities of the department include the following:

- The **Emergency Medical Services (EMS) Division** manages the delivery of medical services by OCFA's emergency medical technicians (EMT) and paramedics. EMS serves as a liaison to county and state regulatory agencies, hospitals, ambulance providers, and other EMS groups. EMS also oversees the Wellness and Fitness (WEFIT) program, which includes medical and fitness evaluations, behavioral health, cancer awareness and prevention, peer fitness trainers, employee health and fitness education, and physical training for firefighter academy recruits.
- **Firefighter Academies and Operations Training and Promotions** facilitate and coordinate the Firefighter, Fire Apparatus Engineer, Fire Captain, and Fire Battalion Chief academies and assessment centers. The divisions work collaboratively with the Operations Training & Safety Division on rank-specific, operations-based training. Lastly, the divisions coordinate with Santa Ana College and the California Joint Apprenticeship Committee on various training activities and programs.
- The **Operations Training & Safety Division (Training)** delivers and facilitates all operations personnel training activities and serves in a lead capacity on issues of employee and incident safety. Training Officers double as incident safety officers.

ADMINISTRATION & SUPPORT BUREAU

BUSINESS SERVICES DEPARTMENT

The **Business Services Department** provides the following services:

- The **Clerk Division** administers democratic processes, such as access to OCFA records and all legislative actions ensuring transparency to the public.
- The **Finance Division** oversees the processing, accounting, reporting, and auditing of all OCFA financial records. It is responsible for developing policies and procedures designed to protect and safeguard OCFA's assets. Specific functions include accounts receivable, general accounting, cost accounting, accounts payable, payroll, and timekeeping.
- The **Legislative Division** identifies and tracks local, state, and federal legislation that could impact OCFA; submits legislative analysis to the Board of Directors; sends letters on behalf of the Board of Directors when a position is taken on an item of legislation; and manages the grant application process for all OCFA grants.
- The **Purchasing Division** administers the centralized procurement of all supplies, services, equipment, and construction services through competitive solicitations. The Purchasing Division is also responsible for administering the procurement card program and surplus disposition.
- The **Treasury Division** provides cash management, budgetary, and financial support services. Treasury services include monitoring cash balances; making investments in compliance with OCFA's Investment Policy; issuing and administering long and short-term debt; and providing oversight of the deferred compensation, pension, and retiree medical programs. Financial planning services include preparation of the budget; annual reviews of OCFA's fiscal health; financial forecasting; and special financial studies.

COMMUNITY RISK REDUCTION DEPARTMENT

The **Community Risk Reduction Department** contributes to community safety and prosperity through the systematic mitigation of risk. Specific programs and services include the following:

- The **Planning and Development Division** interacts with developers, architects, and engineers to meet the fire protection requirements for buildings and developments. This division reviews all architectural development plans and proposals submitted within OCFA's jurisdiction, including tract and parcel maps, permits for conditional use, site development, coastal development, and other items related to the developmental process.

- The **Prevention Field Services Division** assists stakeholders in maintaining and enhancing safe communities by conducting fire safety inspections; enforcing applicable fire codes and ordinances; and assuring that public safety issues are researched and addressed as appropriate.
- **Wildland Pre-Fire Management** takes a proactive approach to wildland fire prevention through the systematic evaluation of risk, fuels mitigation, road maintenance, vegetation management, and home hardening education through ongoing collaboration with partner organizations, landowners, and communities.

HUMAN RESOURCES DEPARTMENT

The **Human Resources Department** provides the following programs and services:

- The **Benefits Division** administers employee benefit programs, including health, accidental death and dismemberment, dental, vision, life, disability, and optional benefit plans; has oversight for human resources information systems; and oversees classification and compensation studies.
- The **Employee Relations Division** oversees performance management; meet and confer, appeal, and grievance processes; and Memorandum of Understanding (MOU) administration. In addition, Employee Relations includes the OCFA accommodation program, which involves scheduling and facilitating interactive process meetings and the identification of reasonable accommodations.
- The **Recruitment Division** oversees recruitment and selection processes.
- The **Risk Management Division** administers OCFA's general liability insurance, self-insured workers' compensation, and environmental health and safety programs.

LOGISTICS DEPARTMENT

The **Logistics Department** provides essential support to all departments of the OCFA in the following areas:

- The **Fleet Services Division** ensures the effective and timely repair, servicing, and maintenance of all vehicles, apparatus, and equipment. Responsibilities include coordinating new vehicle specifications and purchases, maintenance schedules, and replacement prioritization.
- The **Information Technology Division** is responsible for development, operation, maintenance, and security of OCFA's computers, network, and overall technical infrastructure; the development and support of information systems applications and databases; maintenance of centralized enterprise Geographic Information System (GIS) and mapping capabilities; and the acquisition and maintenance of emergency communications equipment.
- The **Property Management Division** builds, maintains, and repairs all OCFA real property and durable infrastructure. Responsibilities include construction of new fire stations and the maintenance and operations of all fire stations and facilities, including the air operations hangar, the Urban Search & Rescue and Training facility, and the Regional Fire Operations and Training Center (RFOTC).
- The **Service Center Division** provides OCFA's organization-wide logistical support. Responsibilities include shipping, receiving, and warehousing services for a wide variety of organizational supplies; mail processing and delivery; testing and repair of firefighting equipment; providing and maintaining personal protective equipment (PPE) for firefighters; outfitting new fire apparatus with equipment; and providing specialized emergency support on incidents.

Orange County Fire Authority



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ACFR 2024

FISCAL YEAR ENDED JUNE 30



ORANGE COUNTY FIRE AUTHORITY

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