

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Budget and Finance Committee Meeting
Wednesday, February 11, 2015
12:00 Noon

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Budget and Finance Committee was called to order on February 11, 2015, at 12:00 p.m. by Chair McCloskey.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Present:

Sam Allevato, San Juan Capistrano
Eugene Hernandez, Yorba Linda
Jerry McCloskey, Laguna Niguel
Al Murray, Tustin
Elizabeth Swift, Buena Park

Absent:

Todd Spitzer, County of Orange

Also present were:

Fire Chief Jeff Bowman
Assistant Chief Mike Schroeder
Assistant Chief Lori Zeller
Communications Director Sandy Cooney
Clerk of the Authority Sherry Wentz

Deputy Fire Chief Craig Kinoshita
Assistant Chief David Thomas
General Counsel David Kendig
Human Resources Director Jeremy Hammond

PUBLIC COMMENTS

Chair McCloskey opened the Public Comments portion of the meeting.

Stephen Wontrobski, Mission Viejo resident, spoke regarding his request to review working documents associated with the audit firm Lance, Soll & Lunghard.

Chair McCloskey closed the Public Comments portion of the meeting.

CLOSED SESSION

Chair McCloskey reported the Committee would be convening to Closed Session to consider the matter on the Agenda identified as CS1 Conference with Legal Counsel-Anticipated Litigation.

Chair McCloskey recessed the meeting to Closed Session at 12:06 p.m.

CS1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Authority: Exposure to Litigation pursuant to Government Code Section 54956.9(b) (1 case)

Chair McCloskey reconvened the meeting at 12:23 p.m. with all prior Committee Members present.

CLOSED SESSION REPORT

General Counsel David Kendig indicated the Committee had taken no reportable action.

1. MINUTES

A. Minutes for the January 14, 2015, Budget and Finance Committee Meeting

On motion of Director Murray and second by Vice Chair Allevato, the Committee voted unanimously to approve the Minutes of the January 14, 2015, Budget and Finance Committee Meeting, as submitted. Directors Allevato and Hernandez abstained.

2. CONSENT CALENDAR

A. Monthly Investment Reports (F: 11.10D2)

On motion of Director Swift and second by Vice Chair Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee meeting of February 19, 2015, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

B. Second Quarter Financial Newsletter

On motion of Director Swift and second by Vice Chair Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee meeting of February 19, 2015, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

3. DISCUSSION CALENDAR

A. Capital Projects Fund Policy

Assistant Chief Lori Zeller introduced Finance Manager Jim Ruane who introduced Senior Accountant Tammi Pickens who provided a report on the Capital Projects Fund Policy.

On motion of Director Swift and second by Vice Chair Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of February 26, 2015, with the Budget and Finance Committee's recommendation that the Board of Directors approve the following actions:

1. Adopt the new *Capital Projects Fund Policy* effective July 1, 2014.
2. Adopt the revised *Assigned Fund Balance Policy* effective July 1, 2014.
3. Re-name and/or re-define three of the existing capital projects funds (Communications & Information Systems; Vehicle Replacement; and Facilities Replacement) to more fully reflect the types of activities being accounted for in the funds.
4. Authorize a transfer from the Facilities Maintenance & Improvements Fund to the General Fund totaling \$2,710,702 (beginning fund balance as of July 1, 2014) and the subsequent closure of the Facilities Maintenance & Improvements Fund. Increase Fiscal Year 2014/15 budgeted transfers in and out of both funds accordingly.
5. Establish an initial "assignment for the capital improvement program" within the General Fund in the amount of \$2,680,975, to be adjusted annually thereafter in accordance with the revised *Assigned Fund Balance Policy*.

B. Purchasing Regulations for Change Orders

Assistant Chief Lori Zeller provided a report on the Purchasing Regulations for Change Orders.

On motion of Director Swift and second by Vice Chair Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of February 26, 2015, with the Budget and Finance Committee's recommendation that the Board of Directors approve the submitted changes to the Roles/Responsibilities/Authorities Matrix.

C. Air Operations Program Enhancements: Staffing, Schedule and Safety Management System

Assistant Chief Dave Thomas provided a PowerPoint presentation on the Air Operations Program Enhancements.

Stephen Wontrobski, Mission Viejo resident, spoke on his opposition to the Air Operations Program Enhancements.

On motion of Director Murray and second by Director Hernandez, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of February 26, 2015, with the Budget and Finance Committee's recommendation that the Board of Directors authorize the following actions:

	<u>Fiscal Impact</u>
1. Support the Fire Chief's recommendation to modify the current Helicopter work schedule to a 24/7, three platoon schedule.	(\$6,054) annual savings
2. Direct staff to return to the Board of Directors for approval of a contract to construct sleeping accommodations in the existing hangar facility.	\$100,000 one-time cost
3. Approve a sole source contract with Argus-Prism for Safety Management Systems software, training and maintenance for a three-year term.	\$28,000 three-year cost
4. Authorize the addition of one Firefighter/Paramedic to the Air Operations Helicopter Program during weekends only, for a six-month trial period.	\$65,652 six-month trial
5. Direct staff to include these changes in the FY 2014/15 mid-year budget adjustments that will be submitted to the Board of Directors in March.	
Total Request (facility, software, FF/PM trial)	<u>\$187,598</u>

D. Independent Accountant's Work Papers and Notes

Assistant Chief Lori Zeller provided a report on the Independent Accountant's Work Papers and Notes.

Stephen Wontrobski, Mission Viejo resident, spoke on his opposition to the report and expressed his continued concern regarding the LSL contract and access to working documents.

Brian Gruber, CPA with LSL, spoke in favor of the report and reiterated that the work papers and notes are the property of LSL.

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

COMMITTEE MEMBER COMMENTS

Vice Chair Allevato thanked Fire Chief Bowman and Division Chief Kirk Wells for meeting with the San Juan Capistrano City Manager and him at Fire Station 7.

Director Swift provided an update on a potential future location for Fire Station 61 in the City of Buena Park.

Chair McCloskey commended all nominees and winners from the Best and Bravest Awards Ceremony. He congratulated Firefighter Dan Brown on being the recipient of the Career Firefighter of the Year award.

ADJOURNMENT – Chair McCloskey adjourned the meeting at 1:19 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, March 11, 2015, at 12:00 noon.



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