

MINUTES

ORANGE COUNTY FIRE AUTHORITY

Budget and Finance Committee Meeting
Wednesday, May 14, 2014
12:00 Noon

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

CALL TO ORDER

A regular meeting of the Orange County Fire Authority Budget and Finance Committee was called to order on May 14, 2014, at 12:05 p.m. by Chair Swift.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Present: Sam Allevato, San Juan Capistrano
Trish Kelley, Mission Viejo
Al Murray, Tustin
Elizabeth Swift, Buena Park
Steven Weinberg, Dana Point

Absent: Randal Bressette, Laguna Hills
Jerry McCloskey, Laguna Niguel

Also present were:

Fire Chief Keith Richter
General Counsel David Kendig
Assistant Chief Brian Stephens
Assistant Chief Lori Zeller
Assistant Clerk Lydia Slivkoff

Ex Officio Bruce Channing
Deputy Chief Craig Kinoshita
Assistant Chief Dave Thomas
Clerk of the Authority Sherry Wentz

PUBLIC COMMENTS (F: 12.02B3)

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

MINUTES

1. **Minutes for the April 9, 2014, Budget and Finance Committee Meeting** (F: 12.02B2)

On motion of Director Murray and second by Director Allevato, the Committee voted to approve the minutes of the April 9, 2014, Budget and Finance Committee Meeting, as submitted. Director Kelley noted an abstention.

CONSENT CALENDAR

2. **Monthly Investment Reports** (F: 11.10D2)

On motion of Director Murray and second by Director Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee meeting of May 22, 2014, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the reports.

3. **Monthly Status Update – Orange County Employees' Retirement System** (F: 17.06B)

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

4. **Third Quarter Financial Newsletter – July 2013 to March 2014** (F: 15.07)

On motion of Director Murray and second by Director Allevato, the Committee voted unanimously to direct staff to place this item on the agenda for the Executive Committee meeting of May 22, 2014, with the Budget and Finance Committee's recommendation that the Executive Committee receive and file the report.

DISCUSSION CALENDAR

5. **Approval of 2014 Tax and Revenue Anticipation Notes (TRANS)** (F: 15.10E)

Assistant Chief Lori Zeller introduced Treasurer Tricia Jakubiak who provided a detailed PowerPoint presentation on the 2014 Tax and Revenue Anticipation Notes.

OCFA City Manager Budget and Finance Committee Chair Bruce Channing indicated the City Manager Budget and Finance Committee supported the TRAN, and complimented staff noting the presentation was the most thorough he's seen for a borrowing of this nature.

On motion of Director Allevato and second by Director Murray, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of May 22, 2014, with the Budget and Finance Committee's recommendation that the Board of Directors take the following actions:

1. Adopt the submitted resolution authorizing the issuance of the 2014-2015 Tax and Revenue Anticipation Notes.
2. Authorize the temporary transfer of up to \$9 million from Fund 123 (Facilities Replacement) to Fund 121 (General Fund) to cover a projected cash flow shortfall for FY 2014/15.
3. Authorize the repayment of \$9 million borrowed funds from Fund 121 to Fund 123 along with interest, when General Fund revenues become available in FY 2014/15.

6. Rosenow Spevacek Group, Inc. (RSG) Final Property Tax Revenue Projections (F: 15.10)

Assistant Chief Lori Zeller introduced Senior Accountant Stuart Lam who provided a PowerPoint presentation on the Rosenow Spevacek Group, Inc. (RSG) Final Property Tax Revenue Projections.

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

7. Review of the 2014/15 Proposed Budget (F: 15.04)

Assistant Chief Lori Zeller introduced Accounting Manager Deborah Gunderson who provided a detailed PowerPoint presentation on the 2014/15 Proposed Budget.

Property Manager Steve Chambers, Information Technology Manager Joel Brodowski, and Fleet Services Manager Rick Oborny provided an overview of the various funds in the proposed Capital Improvement Plan, providing additional context to why the project is important, how the cost was estimated, and steps taken by the Managers to defer projects when feasible.

On motion of Director Weinberg and second by Director Allevato, the Committee voted unanimously to direct staff to place the item on the agenda for the Board of Directors meeting of May 22, 2014, with the Budget and Finance Committee's recommendation that the Board of Directors take the following actions:

1. Conduct a public hearing.
2. Adopt the submitted 2014/15 Proposed Budget.
3. Adopt the proposed Resolution adopting and approving the appropriations budget.
4. Approve and authorize a FY 2013/14 budget adjustment to increase General Fund revenues by \$1,329,186 and appropriations by \$551,777.

8. Contract Extension for Banking and Custodial Services (F: 17.10F2)

Assistant Chief Lori Zeller introduced Assistant Treasurer Jane Wong who provided an overview of the contract extension for banking and custodial services.

On motion of Director Weinberg and second by Director Kelley, the Committee voted unanimously to direct staff to place the item on the agenda for the Executive Committee meeting of May 22, 2014, with the Budget and Finance Committee's recommendation that the Executive Committee take the following actions:

1. Authorize the Purchasing Manager to extend the banking and custodial services contracts with UB for a three-year term commencing on January 1, 2015, at a fixed pricing level as detailed in the submitted Union Bank Contract Extension Proposal for banking and custodial services.
2. Authorize the Purchasing Manager to extend the contract for two additional one-year terms upon the expiration of the three-year term, subject to negotiations between the OCFA and the bank, provided that fee increases do not exceed the increase in the Consumer Price Index for the Greater Orange County Metro Area.

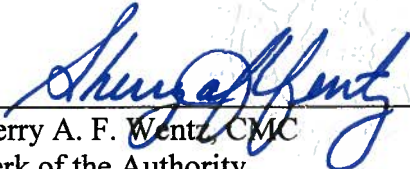
REPORTS (F: 12.02B6)

Fire Chief Richter indicated 10 Fire Engines and 2 helicopters were out of county on the wildland fire in San Diego.

COMMITTEE MEMBER COMMENTS (F: 12.02B4)

Chair Swift read a letter from Farrell's CEO commending OCFA staff who responded to an incident at Farrell's Ice Cream Parlor where a vehicle crashed into the restaurant. She thanked Battalion Chief Dave Anderson, responding firefighters, and OCFA Chaplains for their assistance.

ADJOURNMENT – Chair Swift adjourned the meeting at 1:50 p.m. The next regular meeting of the Budget and Finance Committee is scheduled for Wednesday, June 11, 2014, at 12:00 noon.



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