

AUDIT SERVICES OVERSIGHT COMMITTEE
Monday, October 24th, 2022
Virtual Meeting via Zoom 3:30 P.M.

The Audit Services Oversight Committee met at the above date and time with the following members present: Chair Nick Long, Vice-Chair Matthew Ruterbories, Resident Member Emily Yeatts, Mayor O’Neal, and Council Member Jillian Johnson.

Also present: Wanda S. Page, City Manager; Tim Flora, Finance Director, Robert Zoldos, Chief, Fire Department; Chris Iannuzzi, Deputy Chief, Fire Department; Andy Sannipoli, Assistant Chief, Fire Department; Bertha Johnson, Deputy City Manager of Operations; Bo Ferguson, Deputy City Manager of Public Safety; Germaine Brewington, Director, Audit Services Department; the Audit Services Department Staff; and other guests.

SUBJECT: APPROVAL OF MINUTES – September 26th, 2022

Motion was made and it was properly seconded to approve the minutes of the September 26th, 2022, Audit Services Oversight Committee meeting.

The motion passed unanimously.

SUBJECT: ADJUSTMENTS TO AGENDA

There were no adjustments to the agenda.

SUBJECT: FIRE DEPARTMENT RESPONSE TIMES PERFORMANCE AUDIT

Dredlin Rodriguez, Senior Internal Auditor gave a presentation on the Fire Department Response Times Performance Audit. This audit was important because increase in population, increase in construction, and demographics of new residents moving into the City can impact emergency response times. The City of Durham is growing, and an analysis/study showing the correlation (if any) between these factors and response times should be a part of the methodology to determine impact on service delivery. Senior Auditor Rodriguez discussed the objectives of the audit: 1) to review Durham Fire Department (DFD) response times to determine if they meet the goals (overall response rates- specifically vertical response rates) established by the Fire Department; and 2) to review the Department/City’s plan to meet an increasing demand on DFD services because of growth-including high rise buildings.

Senior Auditor Rodriguez summarized the findings as follows: DFD response times are higher than NFPA 1710 standards. There was no requirement for DFD to follow the standards but the DFD staff used the standards as a guide for their performance because the standard provides and industry standard of care. In addition, the current methodology to identify additional resources

needed in DFD should be enhanced to incorporate the impact on service delivery of development and population growth.

Recommendation 1 (Management Concurred)

The Durham Fire Department staff should continue monitoring response times to ensure service delivery is within acceptable levels based on the City's risk tolerance.

Value Added: *Risk Reduction; Efficiency*

Recommendation 2 (Management Concurred)

The Durham Fire Department should incorporate the impact of future growth on service delivery in their methodology, trigger points and key indicators. In addition, DFD staff should consider using outside experts, e.g., a consultant, ICMA Fellow, etc., to perform a study that incorporates forecasting to determine the impact of future growth on its current resources. Such a study could be the baseline for continuous monitoring on the part of DFD.

Value Added: *Risk Reduction; Efficiency*

Questions/Comments:

Questions by ASOC members:

Chairman Long asked if the Fire Department staff shared the available data with the Audit staff or was the data still pending review.

Senior Auditor Rodriguez stated that the Durham Fire Department (DFD) staff were tracking some data and shared that information during the audit.

Director Brewington directed the question of data tracking to Assistant Chief Sannipoli and Chief Zoldos for their input on what the Fire Department staff were doing regarding data analysis. Chief Zoldos stated that the Fire Department staff tracks a lot of data, including quantity and quality of responses. These metrics are a requirement of the NFPA standards: how many fire fighters the department can get on scene and how quickly.

Chief Zoldos was asked if he had a timeline for implementing the recommendations.

He stated that DFD staff were planning on adding resources to their FY24 budget request to hire a consultant or to purchase a tool to do a more robust analysis within DFD. Chief Zoldos reflected on an exercise he participated in which used a tool to enable fire departments to virtually reallocate equipment to see if the reallocation made the department more efficient. These tools available in the industry today, could positively impact the analysis of DFD if they can figure out a way to allocate resources to such a purchase.

Resident Member Yeatts asked about the increase in the number of incidents while at the same time recording faster response times for all call types except the EMS moderate calls. She asked what caused these changes/shifts?

Senior Auditor Rodriguez stated that the calls received during the COVID pandemic were down which accounted for the decrease in activity during that fiscal years (FY) 2020 and 2021. The activity in FY22 is really a return to normal levels prior to the pandemic.

Chief Zoldos acknowledged the great work of the Operations Chief – thinking outside the box to contribute to the increased efficiency of the department during COVID because of the suggestion to scale back certain types of calls. Different criteria for responding to calls was implemented, which resulted in more of the units being available to respond quicker to incidents.

SUBJECT: Update of the Quarterly Report Activity (1QFY2023)

SUBJECT: Financial Audit Status update by the Finance Director, Tim Flora

The external auditors were scheduled to provide a summary of the ACFR (Annual Comprehensive Financial Report) at the October ASOC meeting in accordance with the By-Laws; but the external auditors had not completed their final review of the financial statements. The ASOC members agreed that they would watch the City Council meeting where the external auditors would give their presentation and submit questions to the auditor after the fact if they had any questions. The final audit was not scheduled to be uploaded to the Local Government Commission (LGC) until after that City Council meeting.

Director Tim Flora (Finance Department) stepped in to give an update on the status of the work of the external auditors to date. He reviewed the projected results which included one finding that staff were told would be included in the report. Director Flora's presentation was thorough and clear and provided the Committee members with a brief overview of what they could expect from the audit.

OTHER BUSINESS

There was no other business to discuss.

The next meeting is scheduled for January 23rd, 2023. The meeting will begin at 3:30 p.m. and it will be virtual.

Chair Nick Long adjourned the meeting at 4:39pm

Respectfully submitted,
Francisca Fabian