

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
FINANCE COMMITTEE MEETING AGENDA**

August 3, 2023 MINUTES

Location: **San Ramon Valley Fire Protection District
Administrative Offices – Boardroom
1500 Bollinger Canyon Road, San Ramon, CA 94583**

Committee Members Present: Vice President Kerr (Chair), Director Stamey

1. CALL TO ORDER

Chair Kerr called the meeting to order at 10:00 a.m.

2. PUBLIC COMMENT

There was no public comment.

3. NEW BUSINESS

3.1 Approve the Minutes from May 23, 2023 Finance Committee Meeting.

Director Stamey made a motion to approve the Minutes from the May 23, 2023 Finance Subcommittee Meeting; seconded by Chair Kerr. Motion carried unanimously.

The Committee agreed to move Agenda Item No. 3.6 to the next item on the Agenda.

3.6 Update on performance of investment consultant Chandler Asset Management, Inc.

Chandler Asset Management Consultant Karl Meng presented the update on the District's investment performance as of June 30, 2023, including performance review with total rate of return, portfolio characteristics, account summary, top issuers, sector allocation, and maturity distribution. The Committee will make a recommendation to the Board at the August Regular Board meeting as to the next Chandler presentation to the full Board.

3.2 Evaluate feasibility and impacts of increasing the reserve.

Chief Meyer, Administrative Consultant Ken Campo and CFO Davina Hatfield provided information to the Committee regarding the feasibility and impacts of amending the District's Fund Balance Reserve to establish a target range for the District's Budget Stabilization Fund ("contingency reserve"). Staff discussed a "floor" equal to 20% of annual operating expenditures with a "goal" of 30%. The Committee was in agreement with the floor of 20% and requested Staff bring back options for the goal amount based on District specific attributes such as the District's current monthly cash burn rate and the amount of cash on hand needed to cover operating expenses for four to six months. The Committee asked Staff to report back in time for the Committee to meet and consider recommendations to the full Board at the October Board meeting.

3.3 Review the current status of the CIP reserve in light of future station and apparatus needs.

Chief Meyer and CFO Hatfield presented the Capital Improvement Program (CIP) projection over the next ten (10) years which analyzes the District’s major fleet, facility and capital needs. Staff discussed the need to include the cost of replacing/remodeling Stations 39 and 31 in the CIP, along with funding options. The Board provided direction to Staff to develop a comprehensive CIP Policy in conjunction with the revised Fund Balance Reserve Policy for recommendation to the full Board.

3.4 Review reserve policy.

See discussion under 3.2 above. The Committee further expressed their desire to memorialize any changes to reserves in a revised/updated Fund Balance Reserve Policy which outlines practical strategies for achieving the goals.

3.5 Consider policy development relevant to potential environmental impacts confronting the District and how to keep them to a minimum. Discuss green policy/initiatives.

Chief Meyer presented this Agenda item. Staff asked for direction on a green policy/initiative and discussed the transition to EV’s for staff and command vehicles and potential for rooftop solar on stations and the new admin building. Director Stamey cautioned to have a clear understanding of initiatives and costs before moving forward and to be smart about how we spend District/taxpayer money. The Committee provided direction to Staff for evaluate best practices moving forward and continuing looking for grants or other forms of subsidies.

3.7 Review SOC challenges.

Chief Meyer presented this Agenda item and does not anticipate substantial financial impacts from the SOC at this time, except to accommodate community growth and the increased call volume.

3.8 Evaluate workers’ compensation policy as self-insured entity.

Chief Meyer and Administrative Consultant Campo discussed the executive summary and funding projection from the District’s June 30, 2023, Actuarial Review of the Self-Insured Workers’ Compensation Program. Chief Meyer expressed the District’s continued desire to compassionately take care of its injured employees, yet also needing to address the significant challenges expected ahead due to changes in the workers’ compensation and retirement systems; and further discussed strategies to address these challenges. The Committee indicated they would like a better understanding of the overall cost associated with the strategies before providing further direction or making a recommendation to the full Board.

The Board took a brief lunch recess at 11:57 a.m. until 12:15 p.m.

Chief Meyer announced the California Special Districts Association (“CSDA”) Annual Capitol Legislative Tour which will take place September 25-27, 2023 and involve a two-day Bay Area tour of special districts for key State Capitol staffers. The District will be one of the special district hosting the tour. CSDA is working on the details.

4. ADJOURNMENT

The Committee meeting was adjourned at 12:42 p.m.

Prepared by:

Stephanie Brendlen

Stephanie Brendlen
District Counsel/District Clerk

Approved by:

DocuSigned by:

H Jay Kerr

Jay Kerr
Director/Finance Committee Chair