



**KENSINGTON FIRE PROTECTION DISTRICT
FINANCE COMMITTEE MEETING MINUTES**

DATE/TIME: June 6, 2023, 12:00 p.m.

LOCATION: Kensington Community Center, 59 Arlington Avenue, Meeting Room 3

PRESENT: Directors: President Julie Stein, Director Jim Watt
Staff: Interim GM Mary Morris-Mayorga
Consultant: Bill Zenoni

1. CALL TO ORDER/ROLL CALL:

President Stein called the meeting to order at 12:03 p.m. and confirmed the roll call.

2. PUBLIC COMMENT (00:01:10)

There was no public comment.

3. ADOPTION OF CONSENT ITEMS (00:01:26)

- a. **Approval of the General Manager's Timesheets (02/01/2023 thru 05/31/2023)**
- b. **Approval of Finance Committee Meeting Minutes of 02/08/2023**

Moved/Seconded: Watt/Stein

Action: Approval of the consent items.

Ayes: Stein, Watt

Nays: None

Absent: None

Motion Passed: 2-0-0

Video Time Stamped: 00:02:10

4. OLD BUSINESS – None

5. NEW BUSINESS (00:02:30)

- a. **FY 2023-24 Fee Schedule for El Cerrito-Kensington Fire Department Contract – Karen Pinkos/City of El Cerrito**

El Cerrito City Manager Karen Pinkos provided an overview of the city's budget as balanced noting the current economic situation and impact. She described the new website portal the city has implemented for ease of understanding. The city has been able to rebuild the general fund. She conveyed that the city is proud of the partnership with Kensington as a cost-effective way of providing fire services.

Chief Saylor presented the Fiscal Year 2023-2024 Fee Schedule, noting increases in personnel due to the new 1230 (union) contract with an overall 7% increase. Professional services increased due to dispatch fees and records management system. Based on prior year's reconciliation, there is an increase of \$77,000.

Director Watt inquired on number of staffing and related costs. Chief Saylor clarified the number of staff as 37 full-time employees (FTE) which has remained constant and provided additional detail on the related costs. Director Stein asked for clarification on the professional services increase along with the contract reconciliation reduction of \$50,000. Chief Saylor described the dispatch services increase and noted that some areas were underspent due to being conservative which caused the reduced reconciliation amount. There was no public comment.

The committee recommended the fee schedule for approval by the Board of Directors.

c. FY 2021-22 and 2022-23 OPEB Actuarial Reports *(this item was taken before 5b)*

Interim GM Morris-Mayorga presented the FY 2021-22 OPEB Actuarial Report as included in the packet noting that the District is 187% funded which is very good. The committee clarified that if the District were underfunded that may require a contribution and IGM Morris-Mayorga responded that it may depending upon the actuarial report; however, no additional contribution is required at this time and none is anticipated unless a plan change is made. There was no public comment.

The committee recommended the OPEB actuarial report for acceptance by the Board of Directors.

b. FY 2021-22 Annual Audit – Justin Williams/MUN CPAs

Justin Williams reviewed the FY 2021-2022 Annual Audit report, describing the audit process and noting the District received an unmodified opinion which a clean audit opinion (good news) with no compliance exceptions, material weakness, or significant deficiencies. Director Stein inquired about what the challenge is in addressing the management letter comments which are old transactions in the system that just need to be cleared so IGM Morris-Mayorga stated this will be a project with focus this year. Director Watt asked for clarification on the amount of available cash the District has referring to the fund balance categories. Mr. Williams and IGM Morris-Mayorga described the nature of the categories, noting that a schedule can be added to the Management Discussion and Analysis next year to break this information out in more detail. There was no public comment.

The committee recommended the annual audit for acceptance by the Board of Directors.

d. Updated Financial Forecast – Bill Zenoni, Consultant

IGM Morris-Mayorga introduced this item describing the process and some overall updates in general. Bill Zenoni presented this item as included in the packet, noting the various assumptions for forecasted revenue and expenditure increases. The committee discussed some of the percentages used for increases and recommended higher percentages for several categories. Director Watt stated that he believes that the public safety building budget will require further adjustments. There was no public comment.

The committee recommended the financial forecast for presentation to the Board of Directors.

e. FY 2023-2024 Draft Budget

The committee noted that the budget amounts were essentially covered during discussion of the financial forecast. IGM Morris-Mayorga reviewed the budget process and overview of the narrative document. She also noted that the public safety building budget will be updated and there was discussion related to this. There was no public comment.

The committee recommended the budget for presentation to the Board of Directors.

f. Format of Monthly Financial Reports

Interim GM Morris-Mayorga reviewed this item as included in the packet to confirm that the committee is in agreement with the monthly reports to be provided to the Board. Director Stein noted some prior reports that were done in September 2020 which provided more information on operating reserves and these may be useful several times a year or as part of

the budget. The committee discussed and agreed with the reports as proposed which are in accordance with current District policy. There was no public comment.

4. FUTURE AGENDA ITEMS (02:34:00)

The committee discussed recommending to the Board of Directors that the Reserve Policy be thoroughly reviewed for potential revision.

- 5. ADJOURNMENT:** The meeting adjourned at 2:40 p.m.. The next Finance Committee Meeting will be determined at a future date and listed on the district's website with the minimum notice required by the Brown Act.

MINUTES PREPARED BY: Mary Morris-Mayorga, Interim General Manager

These minutes were approved at the Finance Committee Meeting on September 7, 2023.

Attest:

Finance Committee Chair