

SPECIAL MEETING OF THE BOARD

12:00 PM October 31th, 2024
Virtual Board Meeting
883 Lakeport Blvd. Lakeport CA 95451

Join Zoom Meeting
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AGENDA

CALL MEETING TO ORDER

- 1. INTRODUCTIONS** and consideration of extra items not appearing on the posted agenda.
- 2. PUBLIC INPUT** - Anyone may speak for 3 minutes on a subject not on the agenda; no action will be taken by the Board.
- 3. ACTION** – Includes discussion. Overview of Resolutions - Julia Sullivan, Executive Director
 - 3.1 VOTE on Resolution #2024-04 - TRANSFERRING FUNDS OUT OF RESTRICTED RESERVES
 - 3.2. VOTE on Resolution #2024-05 - AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR A LINE OF CREDIT
 - 3.3 VOTE on Resolution #2024-06 - AMENDMENT OF PROCUREMENT POLICY
 - 3.4 VOTE on Resolution #2024-07 - AUTHORIZING THE EXECUTIVE DIRECTOR TO OPEN AND OPERATE A FIDELITY SIMPLE IRA MATCHING PLAN
 - 3.5 VOTE on Resolution #2024-08 - TRANSFERRING TREASURER AUTHORITY FROM LAKE COUNTY TO THE BOARD OF DIRECTORS OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT

5. ADJOURN

Next Board Meeting is Tuesday, November 12th at 9:00am

LCRCD Resolutions - 10/31/2024 OVERVIEW

Addressing Cash Flow - Resolutions 2024-04 and 2024-05

The recent fiscal growth of the District has been dramatic, with gross annual revenue expected to be over \$2M, up 400% in just two years. By November 13, the District will be fully staffed with 13 employees, with a monthly payroll expected to average around \$50,000 a month. Despite successfully negotiating several grants with "advance" payments, most of the district revenue is dependent on reimbursable grants which take several months to receive funds after spending has occurred, so there is a "cash flow" issue. (Immediate fiscal needs to cover payroll and contractor bills exceed the available funds in the collective cash accounts.) To resolve this issue, the District is looking into a variety of methods and sources of cash. One is requesting access to all our reserve funding (Resolution 2024-04). Note this not "spending" the reserves, but "borrowing" from them as we operate within our approved budget. The other approach is to apply for a business revolving line of credit (Resolution 2024-05), there are some minimal fees associated with this, but do not exceed what is available in the approved budget. Other sources are also being considered (such as unrestricted grants, and no or low interest loans from foundations) but these do not require a resolution at this time.

Amendment to the procurement policy - Resolution 2024-06

This is simply amending the District's current fiscal policy requiring three quotes from vendors for purchases above \$3,000. The resolution changes the limit to \$5,000.

Application for an IRA Program for employees - Resolution 2024-07

When the Board approved the annual budget in August, it included the costs of an IRA program with Employer match of up to 3%. In order for the Executive Director to start this retirement benefit for District employees, the Board must pass a resolution authorizing the Executive Director to enter into a contract with Fidelity and its associated companies. This resolution gives the Executive Director permission to sign all application forms and manage the program on behalf of the District.

Financial Independence - Resolution 2024-08

The purpose of this resolution (written by our BB&K legal counsel) is for the Board to document their desire for the District to become fiscally independent from the County Treasury. This resolution gives the Executive Director the authority to direct staff and supporting contractors to work collaboratively with the County to transition all banking from the County Treasury to an independent financial institution. The District agrees to take on all fiscal responsibilities previously provided by the County.

RESOLUTION NO. 2024-04

**RESOLUTION OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT
TRANSFERRING FUNDS OUT OF RESTRICTED RESERVES**

WHEREAS, California Public Resources Code Section 9521(a) specifies that the treasury of the principal county of a resource conservation district is the depository of all of the funds of the district, meaning that Lake County is currently the treasurer for the Lake County Resource Conservation District (“District”); and

WHEREAS, California Code, Government Code - § 29130 states at any regular or special meeting, the board by a four-fifths vote, may make available for appropriation any of the following fund balances for which the board has authority: restricted, committed, assigned, and unassigned fund balances.

WHEREAS, the District wishes to make a transfer out of a reserve account into the general fund in order to accommodate near-term expenditures in alignment with the approved budget.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Lake County Resource Conservation District, the Board requests \$80,000 to be transferred from the 331-0000-392.00-00 General/Unres-Designated account to the 331-0000-390.00-00 general fund.

PASSED AND ADOPTED by the Board of Directors of the Lake County Resource Conservation District on this 31st day of October, 2024 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Randall Krag
President, Board of Directors
Lake County Resource Conservation District

ATTEST:

Secretary of the Board

RESOLUTION NO. 2024-05

**RESOLUTION OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT
AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR A LINE OF CREDIT**

WHEREAS, California Public Resources Code Division 9 authorizes the Lake County Resource Conservation District (“District”) to operate as an independent Special District.

WHEREAS, the District Board of Directors (“Board”) authorizes the Executive Director to apply for a Business Line of Credit with a financial institution for the purposes of ensuring fiscal cash flow of existing budgets and obligations.

WHEREAS, the Board authorizes the Executive Director to enter into a contract with a financial institution, and its affiliates, and to act on behalf of the District and sign loan documents.

WHEREAS, the Board authorizes the Executive Director to have overall responsibility and oversight for the loan program to ensure compliance with signed agreements and manage the loan in a manner to minimize costs.

NOW, THEREFORE, BE IT RESOLVED, by the Board, the Executive Director is authorized to apply, execute and manage a Business Line of Credit on behalf of the District.

PASSED AND ADOPTED by the Board of Directors of the Lake County Resource Conservation District on this 31st day of October, 2024 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Randall Krag
President, Board of Directors
Lake County Resource Conservation District

ATTEST:

Secretary of the Board

RESOLUTION NO. 2024-06

**RESOLUTION OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT
AMENDMENT OF PROCUREMENT POLICY**

WHEREAS, California Public Resources Code Division 9 and Section 9521(a) identifies Lake County Resource Conservation District (“District”) as an independent Special District.

WHEREAS, the District Board of Directors, as overall financial oversight for the District, provides recommendations and guidance to the Executive Director on procurement policies of the District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Lake County Resource Conservation District, authorizes the Executive Director to amend the District’s Procurement Policy with regards to purchasing constraints below \$5000. The Executive Director is empowered to increase the limit of when “three quotes” are required from \$3,000 to \$5,000.

PASSED AND ADOPTED by the Board of Directors of the Lake County Resource Conservation District on this 31st day of October, 2024 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Randall Krag
President, Board of Directors
Lake County Resource Conservation District

ATTEST:

Secretary of the Board

RESOLUTION NO. 2024-07

**RESOLUTION OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT
AUTHORIZING THE EXECUTIVE DIRECTOR TO OPEN AND OPERATE A
FIDELITY SIMPLE IRA MATCHING PLAN**

WHEREAS, California Public Resources Code Division 9 authorizes the Lake County Resource Conservation District (“District”) to operate as an independent Special District of the State of California.

WHEREAS, the District Board of Directors (“Board”) authorizes the Executive Director, Julia Sullivan, to set up and operate benefits for employees based on her sole authority and discretion of employee oversight and compensation.

WHEREAS, the Board authorizes the Executive Director to enter into a contract with Fidelity Brokerage Services LLC and National Financial Services LLC and their affiliates (“Fidelity”) for the purposes of providing a Savings Incentive Match Plan for Employees Individual Retirement Agreement (SIMPLE IRA).

WHEREAS, the District’s SIMPLE IRA program shall be aligned with the annual budgets approved by the Board.

NOW, THEREFORE, BE IT RESOLVED, by the Board, that the Executive Director is authorized to open and operate a Fidelity SIMPLE IRA Matching Plan.

PASSED AND ADOPTED by the Board of Directors of the Lake County Resource Conservation District on this 31st day of October, 2024 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Randall Krag
President, Board of Directors
Lake County Resource Conservation District

ATTEST:

Secretary of the Board

RESOLUTION NO. 2024-08

**RESOLUTION OF THE LAKE COUNTY RESOURCE CONSERVATION DISTRICT
TRANSFERRING TREASURER AUTHORITY FROM LAKE COUNTY TO THE
BOARD OF DIRECTORS OF THE LAKE COUNTY RESOURCE CONSERVATION
DISTRICT**

WHEREAS, California Public Resources Code Section 9521(a) specifies that the treasury of the principal county of a resource conservation district is the depository of all of the funds of the district, meaning that Lake County is currently the treasurer for the Lake County Resource Conservation District (“District”); and

WHEREAS, California Public Resources Code Section 9521(b) allows a board of directors of a resource conservation district to adopt a resolution transferring responsibility for the district treasury (i.e., district funds) to the board of directors of the district, provided that district funds are deposited as provided in Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code; and

WHEREAS, the Board of Directors (“Board”) of the District desires to transfer District funds from the treasury of Lake County to a qualifying financial institution approved by the Board, and to do so it must first transfer district treasury responsibility from Lake County to the Board.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Lake County Resource Conservation District, the Board transfers responsibility for the District treasury from Lake County to the Board.

PASSED AND ADOPTED by the Board of Directors of the Lake County Resource Conservation District on this 31st day of October, 2024 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Randall Krag
President, Board of Directors
Lake County Resource Conservation District

ATTEST:

Secretary of the Board