



Date: August 10, 2023
To: Board of Directors
From: David Aranda, Interim General Manager
Subject: Discuss and Adopt Resolution No. 2023-03 (Revised)

Recommendation

Approve Resolution No. 2023-03 (Revised), A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Authorizing Appointment Of The General Manager As Treasurer And Authorizing Transfer Of Treasurer Authority From Contra Costa County To The Board Of Directors Of The Kensington Police Protection And Community Services District.

Background

The Board approved the District moving District funds out of the county bank and savings accounts and into Five Star Bank for better control of the District's money. The District Manager along with the District's financial consultants had a zoom meeting with various financial officials in the County in order to make sure this was the safe and correct thing to be doing. The County will continue to COLLECT District funds from the various accounts and instead of the District drawing off those funds, the county will submit a check each quarter for the funds that have been collected.

The District's financial advisors with Eddie Bailey performed a cash flow projection to make sure that the money received each quarter will be sufficient for the District to continue to operate month to month. History seems to prove that there will be sufficient cash flow each month. The General Manager then gave the go ahead to the county to present our resolution to the County Board of Supervisors requesting the withdrawal of its money from the County Treasury.

The clerk for the county determined that the resolution approved by the Board back in April was not sufficient to meet their requirements for this separation. You have before you a revised resolution that will hopefully meet the County's requirements and allow the District to withdraw its funds from the County.

Exhibits

- Resolution No. 2023-03 (Revised), A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Authorizing Appointment Of The General Manager As Treasurer And Authorizing Transfer Of Treasurer Authority From Contra Costa County To The Board Of Directors Of The Kensington Police Protection And Community Services District.

RESOLUTION NO. 2023-03 (REVISED)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT AUTHORIZING APPOINTMENT OF THE GENERAL MANAGER AS TREASURER AND AUTHORIZING TRANSFER OF TREASURER AUTHORITY FROM CONTRA COSTA COUNTY TO THE BOARD OF DIRECTORS OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

WHEREAS the Kensington Police Protection and Community Services District (KPPCSD) is a community services district organized and operating pursuant to California Government Code section 61000 et seq; and

WHEREAS Government Code sections 61050 and 61052 provide that the Contra Costa County Treasurer shall be the Kensington Police Protection and Community Services District depository, and maintain custody of all the KPPCSD funds, unless the KPPCSD establishes an alternative depository pursuant to Government Code section 61053; and

WHEREAS, to establish an alternative depository for KPPCSD funds, Government Code section 61053 requires the KPPCSD's Board of Directors to 1) state its intention to withdraw its money from the County treasury; 2) fix the amount of the bond for the KPPCSD's Treasurer and other KPPCSD employees who will be responsible for handling the KPPCSD's finances; 3) adopt a system of accounting and auditing that adheres to generally accepted accounting principles; and 4) designate a bank as the depository for the KPPCSD's fund; and

WHEREAS the KPPCSD's Board of Directors approved the establishment of a bank account with Five Star Bank as a depository for the KPPCSD's funds; and

WHEREAS it is the desire of KPPCSD's Board to establish an alternative depository to the County Treasurer, pursuant to Government Code section 61053.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The KPPCSD's Board appoints the General Manager as its Treasurer who will serve in the place of the County Treasurer.

Section 3. The KPPCSD's Board hereby states its intention to have monies from the various incoming accounts of KPPCSD's sent to Five Star Bank.

Section 4. The KPPCSD's Board hereby states that KPPCSD will establish its own relationship with LAIF.

Section 5. The KPPCSD’s Board and the County Board of Supervisors shall determine a mutually acceptable date for this request to take place but no later than 15 months from the date of this Resolution.

Section 6. The KPPCSD’s Board hereby designates Five Star Bank as the depository of the KPPCSD’s money.

Section 7. The KPPCSD’s Treasurer and all KPPCSD employees responsible for handling the KPPCSD’s finances shall be covered in the amount set forth in the KPPCSD’s Employee Dishonesty (Crime & Fidelity) Insurance Policy with SDRMA.

Section 8. The KPPCSD’s Treasurer shall make quarterly or more frequent written reports to the KPPCSD’s Board, as the KPPCSD Board shall determine, regarding the receipts and disbursements and balances in the accounts controlled by the KPPCSD’s Treasurer.

Section 9. The Board Secretary shall certify the adoption of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District upon motion by Director Duggan, seconded by Vice-President Gough, on Thursday, the 10th day of August, 2023, by the following vote to wit:

AYES: Directors Duggan, Gough, Hacaj, Spath and Aquino-Fike.

NOES: None.

ABSENT: None.

ABSTAINED: None.

Alexandria Aquino-Fike
President, Board of Directors

HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the regular meeting of said Board held on Thursday, the 10th day of August, 2023.

Lynelle M. Lewis
District Clerk of the Board

David Aranda
Interim General Manger