

THE MARIN WILDFIRE PREVENTION AUTHORITY  
FINANCE COMMITTEE MEETING  
2:00 p.m. Tuesday, October 20, 2020  
Via teleconference due to Coronavirus (COVID-19)  
MINUTES

1. Call to Order. Director Hilliard called the meeting to order at 2:00 p.m.

2. Roll Call.

Directors – In Attendance: Bruce Goines (Novato Fire), David Kimball (Bollinas Fire District), Cathryn Hilliard (Southern Marin Fire), Tom Finn (Sleepy Hollow), Gary Phillips (San Rafael), Jason Weber (County of Marin), Dan Schwarz (Larkspur)

Staff in Attendance: Executive Officer Mark Brown, Interim Executive Officer Jean Bonander, MWPA Treasurer Alyssa Schiffmann

3. Agenda Adjustments.

There were no adjustments.

4. Open Time for Public Expression.

Mr. Stephen Keese stated the MWPA is a very important organization for the County and he thanked all Directors for participating.

5. Finance Committee Duties and Responsibilities- Initial Course of Action

Executive Officer Brown presented a staff report. The Finance Committee was created per Article 5, Section 6 of the MWPA By-laws. He stated the Finance Committee can decide whether or not they want to simply maintain finance responsibilities or also take on some of the administrative roles. He discussed the priorities. He noted 60% of the budget goes toward the Core Projects, 20% goes toward the defensible space evaluations, and 20% goes toward funding local projects for the member agencies. They have not yet received any of the tax proceeds from the County. They will receive 55% in December, 40% in April, and 5% in June. They need to decide if there would be an immediate pass through of the 20% to local agencies for local projects.

Treasurer Schiffmann stated she wanted to figure out what would work best.

Chief Weber joined the meeting. He stated the vote initiative indicated this is a “pass through”. There has to be a demonstration of how the funds are used but there does not have to be an arduous recording process.

President Goines asked which of the three buckets (60%, 20%, and 20%) are they characterizing as pass through. Chief Weber stated it would be the 20% local and also the agencies that opt out of defensible space.

Treasurer Schiffmann stated there was an initial discussion with one of the prospective auditors that the member agencies should be accountable for keeping the records.

Director Finn referred to the bullet point that discusses monitoring the budget for the current year and asked if it would be wise to use some project management software. It might make the budget monitoring and expense tracking process go smoother. Executive Officer Brown stated he has looked at some project management software. The OPS Committee will be looking at this as a 2021/22 project.

Director Phillips stated they need a method of consistent recording throughout the organization.

Director Hilliard wanted to ensure that policies and procedures for financial transactions are documented. One of the Committee's primary duties is to create draft policies that can be approved by the Board. Executive Officer Brown stated Treasurer Schiffmann is already gathering sample policies.

Director Hilliard asked if the Finance Committee would like to draft Personnel Policies.

Director Phillips stated this should be done by the Executive Committee. The other Committee members agreed.

Director Hilliard stated the Treasurer should be the one to ensure the bank account signatures were current. The other Committee members agreed. Director Phillips stated the Board would approve adding and subtracting a signatory.

Chief Weber discussed administrative costs and operations and noted they might need to use a contractor, a seasonal employee, or a full time employee. If the role is administrative in nature then it would be tied to the program cost of the operation.

Director Kimball stated they could not think of a return on investment from a purely financial point of view. Most of the expenses will be operational and not capital. Thinking ahead they should try to come to terms with the benefits and outcomes and dovetail that into a tactical plan.

President Goines stated it will be incumbent upon the Board, in a strategic planning session, to begin to articulate what they envision in ten or twenty years out. There will be metrics involved. The Board would commission the OPS Committee and the Technical Advisory Committee to start thinking about how to monitor these metrics and get real time data. The Board can tie the financials to this through the project management software.

Executive Officer Brown stated he is of the opinion that action is more important than planning but it should be accomplished through some thoughtful parameters.

Director Phillips asked how they plan to allocate funds for fire protection and how they divide their attention- susceptibility, population, etc.

Director Finn agreed with the comments made by Directors Kimball and Phillips. He referred to the priorities and stated there were some short-term things that they need to accomplish including building the Committee's credibility. Things to avoid include missing a forecast by a large margin or unexpected costs. These are things to keep in mind when creating policies and best practices.

Executive Officer Brown stated the Work Plan process for the next fiscal year will include a metrics section. His goal is to be able to understand where every dollar went and what project it was attached to.

Director Hilliard opened the meeting to public comments.

Ms. Lucy Dilworth asked if the Committee could consider a process that goes beyond an affidavit to get a project approved when looking at funding local projects. Could they consider what happens if the project does not meet the standards for funding? Could the local agency keep the entitlement for the funds for a different future project?

Mr. Stephen Keese supported the Committee's goal of going back to the voters ten years from now with a very "squeaky clean" record.

Director Hilliard closed the meeting to public comment.

Chief Weber stated they have every intention to be as transparent as possible. The JPA states that projects must align with the voter initiative. He feels they went way beyond that this year.

Director Finn stated Ms. Dilworth's description sounds like a block grant where the entity receives funds and has discretion on how to apply it. That is not his understanding of Measure C- the funding provided to local entities has to be consistent with the priorities established on a macro level.

President Goines agreed. It would be difficult to hold funds when there are other entities that have eligible project. There is also a 5-year leveling provision.

## 6. Review of Monthly Budget Reporting Documents

Treasurer Schiffmann presented the staff report. She is not sure a monthly budget is relevant. The year to date information is more relevant.

Director Hilliard asked how often the Committee wants to review the budget reports- monthly, quarterly, etc. She thought quarterly would be sufficient.

President Goines stated he would be satisfied with quarterly reports.

Director Kimball stated quarterly and year-to-date information was sufficient.

Director Finn asked what would be customary for a similar agency.

Director Phillips agreed that quarterly reports would be adequate. Monthly reports were not very useful. The exception would be if there is something out of line.

President Goines stated the budget should include an "Administration" line item.

Chief Weber stated there is a requirement in the JPA that only 10% (of the 60%) of funds are spent on administrative costs.

Director Hilliard noted \$15,000 allocated for legal services might be too low. They will need a lot of initial legal advice about compliance.

President Goines agreed and noted they were already over budget.

Director Kimball stated he views this as a place-holder budget- it gives them a starting point. It can be fine-tuned later.

President Goines noted there was no line item associated with "interest accrual". He asked when they would be discussing the next draw on the County loan. They have some bills to pay.

Executive Officer Brown stated he and Treasurer Schiffmann would report back on this.

President Goines stated line item #6650 labeled "start-up costs", in the amount of \$250,000, should be enumerated in detail in a future report. Treasurer Schiffmann stated there was an expense detail included in the prior page.

Director Hilliard opened the meeting to public comments.

There were no comments.

Director Hilliard closed the meeting to public comments.

#### 7. MWPA Financial Management Schedule- Monthly, Quarterly, Mid-Year, Annual Budget and Independent Audit

Executive Officer Brown presented a staff report.

Director Hilliard asked when the official Public Hearing for the budget would occur. Interim Executive Officer Bonander stated the Finance Committee meetings are Brown Act meetings and part of the public process. The Board is required to have two Public Hearings in order to adopt a budget. The JPA requires adoption of the budget by June 1<sup>st</sup> so the Public Hearings would be in April and May.

Director Finn stated local agencies normally adopt their budgets on June 30<sup>th</sup>. He asked if the MWPA could find itself in a position where the local agency has not budgeted for a project that the MWPA is expected to finance. OPS Committee member Schwarz stated the suggested timelines give local agencies sufficient time to incorporate this information into their budgets.

Director Hilliard opened the meeting to public comments.

There were no comments.

Director Hilliard closed the meeting to public comments.

#### 8. Planning for Future Staffing and Employment Practices

Executive Officer Brown presented the staff report. He reiterated that these administrative costs could not exceed 10% of the 60%. The goal is to focus funds towards projects and not staffing. He and Interim Executive Officer Bonander have been discussing job descriptions for the three key positions that need to be hired soon including a Program Manager, Finance Administrator, Analyst/Financial Aide. He noted they need to establish hiring practices soon.

President Goines asked the Committee to keep in mind the need for a Grant Program Administrator.

Director Hilliard opened the meeting to public comments.

There were no comments.

Director Hilliard closed the meeting to public comments.

9. Information Items.

There were none.

10. Committee Members Request Future Agenda Items.

Executive Officer Brown stated the next agenda would include: 1) Roles and Responsibilities of the Finance Committee; 2) Draft Financial Policies.

Director Hilliard opened the meeting to public comments.

There were no comments.

Director Hilliard closed the meeting to public comments.

11. Adjournment- Director Hilliard adjourned the meeting at 3:18 p.m.

Respectfully submitted,

Toni DeFrancis,  
Recording Secretary