

San Miguel Consolidated Fire Protection District

The logo is a Maltese cross with a central circle. The word "CONSOLIDATED" is written in a banner across the top of the cross, and "JULY 1, 1988" is written in a banner across the bottom. In the center of the circle, there is a stylized illustration of a mountain range with a sun or moon rising behind it.

Board of Director Policy Manual

Revised
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Director's Policy Manual

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Policy 1 – Director Conduct and Responsibilities

1.1 – Responsibilities of Public Office

Directors of the San Miguel Consolidated Fire Protection District are elected by the voters of the District. As such, they are agents of public purpose and serve for the benefit of the public. They shall uphold the Constitution of the United States and the Constitution of the State of California. They shall impartially carry out the laws and regulations of the United States, the State of California, and the San Miguel Consolidated Fire Protection District. In any official act they shall faithfully discharge their fiduciary duties recognizing that the public interest and trust are paramount. Directors must demonstrate the highest standards of morality and ethics consistent with the requirements of their position and consistent with law.

1.2 – Basis of Authority

The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure.

1.2.1 – Representation

Directors do not represent any fractional segment of the community, but are, rather, a part of the body that represents and acts in the best interest of the community as a whole.

1.3 – Code of Ethics and General Conduct

The Board of Directors of the San Miguel Consolidated Fire Protection District is committed to providing excellence in legislative leadership that result in the provision of the highest quality of services to its constituents. In order to assist governing behavior, between and among members of the Board of Directors, the following behavior and procedures shall be observed:

- a. The dignity, style, values and opinions of each Director shall be respected.
- b. Responsiveness and attentive listening in communication is encouraged.
- c. The needs of the District's constituents shall be the priority of the Board of Directors.
- d. The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District through the Fire Chief or his/her designee(s).
- e. Directors shall commit themselves to emphasizing positive and constructive forms of interaction.

- f. Directors shall commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged.
- g. Differing viewpoints are healthy in the decision making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, directors should commit to supporting such action and not create barriers to the implementation of the action.
- h. When seeking clarification on informational items, Directors may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision making.
- i. When handling complaints from residents and property owners of the District, such complaints shall be referred directly to the Fire Chief.
- j. Items related to safety, concerns for safety or hazards shall be reported to the Fire Chief or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance from the District professional staff.
- k. Concerns regarding clarification of policy related issues, especially those involving personnel, legal action, land acquisition and development, finances, and programming, shall be referred directly to Fire Chief.
- l. When approached by District personnel concerning specific District policy, Directors should channel inquiries to the appropriate staff supervisor.
- m. The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- n. When responding to constituent requests and concerns, Directors shall be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel.
- o. Directors should develop a working relationship with the Fire Chief wherein current issues, concerns and District projects can be discussed comfortably and openly.
- p. Directors should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.
- q. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

1.4 – Board Member Conduct During Meetings

In addition to the rules of general conduct listed in Policy 1.3, Board members shall abide by the following rules of conduct for board meetings:

- a. All Directors should be on time for all meetings. Directors should make every effort to notify the Board President or Fire Chief of any anticipated or unanticipated late arrival to meetings or absence.
- b. Directors shall thoroughly prepare themselves to discuss agenda items prior to board meetings, including making additional requests from staff or having discussions with other directors within the constraints of the Brown Act.
- c. Written information or board documents that are exchanged before meetings shall be distributed through the Fire Chief and all Directors shall receive all such written information or documents being distributed.
- d. Directors shall conduct themselves with courtesy to each other, staff and members of the audience present at Board meetings.
- e. Directors shall defer to the presiding officer for conduct of meetings of the Board but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Board.
- f. Directors may request for inclusion into minutes, brief comments pertinent to an agenda item, (including, if desired, a position on abstention or dissenting vote). Such request may only be made at the meeting in which the comments are made.
- g. Directors shall abstain from participating in consideration on any item involving a personal or financial conflict of interest. Unless such a conflict of interest exists, however, Directors should not abstain from the Board's decision making responsibilities.
- h. Requests by individual Directors for substantive information and/or research from District staff shall be channeled through the Fire Chief.

1.5 – Attendance at Meetings

Members of the Board of Directors shall attend all regular meetings, special meetings, committee assignments and meetings as appointed to represent the District unless there is good cause for absence.

1.6 – District General Council

Whenever possible, the Districts general council should be in attendance of scheduled Board Meetings that include Closed Session agenda items.

Policy 2 – Board Organization and Structure

2.1 – Election of Officers

The District Board shall elect its officers at the first regular meeting in January of each year. The officers of the Board are President, Vice President, and Secretary. The Board of Directors may reorganize themselves at any time if five (5) of the seven (7) Directors vote to do so.

2.2 – Presiding Officer (Chairperson)

The President of the Board of Directors shall serve as presiding officer at all Board meetings. He/she shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow such actions. In the absence of the President, the Vice President of the Board of Directors shall serve as presiding officer. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as presiding officer for that meeting.

2.3 – Committees of the Board

2.3.1 – Ad Hoc Committees

The Board President shall appoint such ad hoc committees with consensus of the Board, as may be deemed necessary or advisable by himself/herself and/or the Board. The Board President shall not appoint himself/herself to committees prior to offering other board members the opportunity to fill committee assignments. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

2.3.2 – Ad Hoc Committee Duties and Powers

The Board's ad hoc committees may be assigned to review District functions, activities, and/or operations pertaining to their designated concerns.

Any recommendations resulting from such assignments shall be submitted to the Board via a written or oral report.

2.3.3 – Ad Hoc Committee Members Tenure of Office

All committee members serve at the pleasure of the Board and may be removed by consensus of the Board at any time.

2.4 – District Board Member Representative Appointments

2.4.1 – Appointments to Participating Agencies

At the first regular meeting of each calendar year, the Board shall nominate and select by majority vote, representatives to various agencies and commissions for which the District participates. Examples of such participating agencies are Heartland Training Facility, Heartland Communications Facility Authority and County Service Area 69.

2.4.2 – Appointments to Participating Agencies Tenure of Office

All appointments to participating agencies serve at the pleasure of the Board and may be removed by majority vote of the Board at any time.

2.5 – Vacancies of the Board

Vacancies of the Board shall be filled in accordance with Section 1780 of the Government Code of the State of California.

Policy 3 – Director Compensation and Training

3.1 – Remuneration and Reimbursement

Each member of the Board of Directors may receive compensation in an amount set by the District Board for attending each meeting of the District Board of Directors. Attendance is defined as being present for more than fifty percent (50%) of any meeting. The number of meetings for which a member of the Board of Directors may receive compensation shall not exceed four meetings in any calendar month.

Members of the Board of Directors may be reimbursed for all legitimate expenses incurred in attending any meetings (except for regular Board meetings and local committee meetings) or in making any trips on official business of the Board when authorized in accordance with these policies. Reimbursements for expenses shall be done in accordance with District policy in effect at the time the expense was incurred.

3.1.1 – District Payment of Director Health Insurance

The District shall pay up to the cost of Kaiser South, employee and two or more dependents, towards the health insurance premiums of directors. Director membership in health plans is restricted to those available through the agency with which the District contracts for the provision of such benefits.

3.1.2 – Director Participation in CalPERS

Directors who were elected or appointed and/or who were members of CalPERS prior to July 1, 1994 must continue their membership in CalPERS to retain all such benefits to which they may be entitled.

3.1.3 – Director Participation and Payment in Dental Insurance Program

The District shall contribute for each active Board Member the same monthly contribution as the District's regular active employees. Director membership is restricted to the dental insurance plans available to regular active employees.

3.1.4 – Director Data Communication Reimbursement

Directors may be reimbursed up to \$35 per month for the data portion (only) of a director's personal mobile communication device to facilitate District business. Submittal for reimbursement must be done prior to the close of the fiscal year's budget.

3.2 – Training, Education and Conferences

It is the policy of the District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses, participation with professional organizations, and attendance at local, regional, and state conferences associated with the interests of the District as budgeted and approved by a consensus of the Board. If attendance was approved, and District funds have been expended, and if the director does not participate, the director shall reimburse the District for any cost(s) attributable to the director's non-participation at the discretion of the Board. District administrative staff shall be responsible for making arrangements for travel, lodging and registration for Directors attending such classes, seminars, workshops and conferences. District staff shall normally forward information regarding Director training and education opportunities to the Board at regularly scheduled meetings. Directors may submit similar information either through the staff or by presenting the information during the Director report's portion of a regular meeting. Director attendance at classes, seminars, workshops and conferences shall be approved by consensus of the Board of Directors prior to incurring any reimbursable costs. Any college classes taken require achievement of a "C" or better letter grade or pass/credit in order to be reimbursable. All expenses shall be reported to the District by Directors and validated with receipts according to the District Travel Expense Policy. Upon returning from classes, seminars, workshops, or conferences, Directors will either prepare a written report for distribution to the Board, or make a verbal report during the next regular meeting of the Board. Such report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.

3.3 – Membership in Associations

The Board of Directors shall ordinarily hold membership in and attend meetings of such state, regional, or local associations as may exist which have applicability to the functions of the District and shall look upon such memberships as an opportunity for continuing education.

3.3.1 – District Representatives

At the first regular board meeting in January following a general District election or unopposed election, a member of the Board or a staff member shall be selected to represent the District and another member of the Board or staff member shall be selected to serve as an alternate for the representation of the District at association business or functions in which the District is a member.

Policy 4 – Board Meetings

4.1 – Regular Meetings

Regular meetings of the Board of Directors shall be held on the 2nd Thursday of each calendar month at 6:00 pm. The 4th Thursday of each calendar month shall be tentatively scheduled as needed for a second regular meeting at 6:00 pm.

Unless otherwise noticed, all meetings of the Board of Directors shall be conducted in the District Headquarters Boardroom, 2850 Via Orange Way, Spring Valley, California. The date, time and place of regular Board meetings shall be reconsidered annually at the first regular meeting in January of the Board.

4.2 – Special Meetings

Special meetings of the Board of Directors may be called by the Board President or a majority of the Board of Directors by delivering, personally or by mail, written notice to each member of the Board of Directors and to each local newspaper of general circulation, radio or television station requesting such notice in writing. The Fire Chief, District Counsel, and any other desired staff shall be notified of the special board meeting and the purpose or purposes for which it is called. The notice shall be delivered personally or by mail and shall be received at least 24 hours prior to the time of the special meeting as specified in the notice. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes, files with the clerk or secretary of the Board a written waiver of notice. Such waiver may be given by telegram. The written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. Notice shall be required pursuant to this section regardless of whether any action is taken at the special meeting. The call and notice shall be posted in a location that is freely accessible to the public at least 24 hours prior to the special meeting.

Newspapers of general circulation in the District, radio stations and television stations, organizations, and property owners who have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code Sections 54950 through 54962) shall be notified by a mailing unless the special meeting is called less than one week in advance, in which case notice, including business to be transacted, will be given by telephone during business hours as soon after the meeting is scheduled as practical. An agenda shall be prepared for regular Board meetings as specified in Section 2.5 of this manual and shall be delivered with the notice of the special meeting to those specified above. Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

4.3 – Emergency Meetings

In the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency special meeting without complying with the twenty four (24) hour notice required in Section 2.2 above. An emergency situation is defined as:

A crippling disaster, a work stoppage, or any other activity, which severely impairs public health, safety, or both, as determined by a majority of the members of the Board of Directors.

Newspapers of general circulation in the District, radio and television stations which have requested notice of special meetings in accordance with the Ralph M. Brown Act (California Government Code Sections 54950 through 54962) shall be notified by at least one hour prior to the emergency special meeting. In the event that telephone services are not functioning, the notice requirement of one hour is waived, but the Fire Chief, or his/her designee, shall notify such newspapers, radio stations, or television stations regarding the holding of the emergency special meeting, and of any action taken by the Board, as soon after the meeting as possible.

No closed session may be held during an emergency special meeting, and all other rules governing special meetings shall be observed with the exception of the 24-hour notice. The minutes of the emergency special meeting, a list of persons the Fire Chief or designee notified or attempted to notify, a copy of the roll call vote(s), and any actions taken at such meeting shall be posted for a minimum of 10 days in the District office as soon after the meeting as possible.

4.4 – Adjourned Meetings

A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the Fire Chief or designee may declare the meeting adjourned to a stated time and place, and he/she shall cause a written notice of adjournment to be given to those specified in Section 2.2 and 2.3 above.

4.5 – Board Meeting Facilitation

Meetings of the Board of Directors shall be conducted by the Board President or designee in a manner consistent with the rules, regulations, policies and procedures of the District. The latest edition of Robert's Rules of Order, Revised shall also be used as a general guideline for meeting protocol. District policies shall prevail whenever they are in conflict with Robert's Rules of Order, Revised. The conduct of meetings shall, to the fullest possible extent, enable Directors to:

- a. Consider problems to be solved, weigh evidence related thereto, and make wise decisions intended to solve the problems; and,
- b. Receive, consider and take any needed action with respect to reports of accomplishment of District operations.

The provisions for permitting any individual or group to address the Board concerning any item on the agenda of a special meeting, or to address the Board at a regular meeting on any subject that lies within the jurisdiction of the Board of Directors shall be as follows:

- a. Three minutes may be allotted to each speaker and a maximum of 20 minutes to each subject matter;
- b. No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous conduct shall be grounds for summary termination of that person's privilege of address by the presiding officer.
- c. No oral presentation shall include charges or complaints against any District employee, regardless of whether or not the employee is identified in the presentation by name or by another reference that tends to identify. All charges or complaints against employees shall be submitted to the District through the Fire Chief. The Fire Chief shall investigate all such charges and/or complaints and take appropriate action.

4.6 – Adequacy of Information and Facilities

The Board President and the Fire Chief shall insure that appropriate information is available for the audience at meetings of the Board of Directors and that physical facilities for such meetings are functional and appropriate.

4.7 – Disruption of Meetings

Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the presiding officer finds that there is willful disruption of any meeting of the Board, he/she may order the room cleared and subsequently conduct the Board's business without the audience present. In such an event, only matters appearing on the agenda may be considered in such a session. After clearing the room, the presiding officer may permit those persons who, in his/her opinion, were not responsible for the willful disruption to reenter the meeting room. Duly accredited representatives of the news media, whom the presiding officer finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

Policy 5 – Board Meeting Agendas

5.1 – Preparation of Agendas

The Fire Chief, in cooperation with the Board President, shall cause to be prepared, an agenda for each regular and special meeting of the Board of Directors. Any Director may call the Board President and request that an item be placed on the agenda. Requests for agenda items for regular meetings should be made no later than 12:00 noon on Thursday prior to the meeting date. Requests for special meeting agenda items should be made at least 48 hours prior to the meeting or sooner if possible.

5.2 – Order of Agenda Items

The Board President shall determine the order in which agenda items are to be considered for discussion and/or action by the Board. The Board may change the order by consensus.

5.3 – Public Requests for Agenda Items

Any member of the public may request that a matter directly related to District business be placed on the agenda of a regularly scheduled meeting of the Board of Directors, subject to the following conditions:

The request must be in writing and be submitted to the Fire Chief together with supporting documents and information, if any, at least seven business days prior to the date of the meeting. The Fire Chief shall be the sole judge whether or not the public request is a "matter directly related to District business." No matter which would legally be a proper subject for consideration by the Board in closed session will be accepted under this policy. The Board of Directors may place limitations on the total time to be devoted to a public request issue at any meeting, and may limit the time allowed for any one person to speak on the issue at the meeting. This policy does not prevent the Board from taking testimony at regular and special meetings of the Board on matters that are not on the agenda which a member of the public may wish to bring before the Board. The Board shall not discuss or take action on such matters at that meeting.

5.4 – Posting Requirements

At least 72 hours prior to the time of all regular meetings, an agenda, which includes but is not limited to all matters on which there may be discussion and/or action by the Board, shall be posted conspicuously for public review within the District office. The agenda for a special meeting shall be posted at least 24 hours before the meeting in the same location as regular meeting agendas.

Policy 6 – Board Actions and Decisions

6.1 – Types Actions and Decisions

Actions by the Board of Directors include but are not limited to the following:

- a. Adoption or rejection of rules or regulations.
- b. Adoption or rejection of a resolution.
- c. Adoption or rejection of an ordinance.
- d. Approval or rejection of any contract or expenditure.
- e. Approval or rejection of any proposal which commits District funds or facilities.
- f. Approval or disapproval of matters that require or may require the District or its employees to take action and/or provide services.
- g. The employment or continued employment of the Fire Chief.
- h. The rendering of a decision as an appellate hearing body concerning certain disciplinary actions taken on employees.

6.2 – Quorum Requirements

Action can only be taken by the vote of the majority of the total membership of the Board of Directors. Four (4) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require all four votes to be effective unless a 4/5 or 2/3 majority vote is required by policy or other law. In this case, at least 5 members must be present and vote affirmatively for any action requiring a 2/3 majority to be effective. At least 6 members must be present and vote affirmatively for any action requiring a 4/5 majority to be effective.

6.3 – Abstentions

Directors are encouraged to refrain from abstaining in a vote unless a conflict of interest precludes them from doing so.

6.4 – Informal Directions by Board Consensus

The Board may give directions that are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the Fire Chief.

6.4.1 – Determination of Consensus

The presiding officer shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the presiding officer, a voice vote may be requested.

6.4.2 – Motion to Agendize Contested Informal Direction

A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the Fire Chief for review and recommendation, etc.)

6.5 – Review of Administrative Decisions

The purpose of this section is to insure efficient administration of the District and the expeditious review of decisions rendered by the Board of Directors. The provisions of Section 1094.6 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of all administrative decisions of the Board of Directors pursuant to the provisions of Section 1094.5 of said code. The provisions of Section 1094.6 shall prevail over any conflicting provision and any otherwise applicable law, rule, policy or regulation of the District, affecting the subject matter of an appeal. This policy affects those administrative decisions rendered by the Board of Directors governing acts of the District, in the conduct of the District's operations and those affecting personnel operating policies.

Policy 7 – Board Meeting Records

7.1 – Official Record of Board Meetings

It is the intent of the District to maintain accurate records of all District Board meetings by means of written and/or audio tape recording. The official record of any board meeting is the written minutes; all discrepancies should be resolved through written documentation.

7.2 – Minutes of Board Meetings

The Secretary of the Board of Directors shall keep minutes of all regular, special, adjourned regular, adjourned special, and emergency meetings of the Board. Copies of these minutes shall be made for distribution to Directors with the agenda for the next regular Board meeting.

7.2.1 – Safekeeping of Minutes

The official minutes of all meetings of the Board shall be kept in a fireproof vault or in fire resistant, locked cabinets.

7.3 – Content of the Minutes

The minutes of all Board meetings shall contain, but not necessarily be limited to the following:

- a. Date, time, place and type of each meeting.
- b. Directors present and absent by name.
- c. Call to order.
- d. Arrival of tardy Directors, by name.
- e. Pre adjournment departure of Directors, by name, or if an absence takes place when any agenda items are acted upon.
- f. Adjournment of the meeting.
- g. Record of written notice of special meetings.
- h. Record of items to be considered at special meetings.
- i. Approval or amended approval of the minutes of preceding meetings.
- j. Information as to each subject of the Board's deliberation.

- k. Information as to each subject including the roll call record of the vote on a motion if not unanimous.
- l. All Board resolutions and ordinances in complete context, numbered in accordance with Section 2.19.
- m. A record of all contracts entered into.
- n. All employments and resignations or terminations of employment within the District.
- o. A record of all bid procedures, including calls for bids, bids authorized, bids received, and other action taken.
- p. Adoption of the annual budget.
- q. Financial reports.
- r. Sales of District property.
- s. A record of all important correspondence.
- t. A record of the Fire Chief's report to the Board.
- u. Approval of all Board adopted rules and regulations.
- v. A record of all visitors and delegations appearing before the Board.

7.4 – Record of Motions, Resolutions, and Ordinances

Motions, resolutions or ordinances shall be recorded in the minutes as having passed or failed, and individual votes will be recorded unless the action was unanimous.

7.5 – Numbering of Resolutions and Ordinances

All resolutions and ordinances adopted by the Board shall be numbered consecutively starting at the beginning of each calendar year and include the last two digits of the year and a sequential number starting with one.

7.6 – Audio Recording of Board Meetings

All open session meetings shall be recorded on audiotape. At no time during an official open session shall the recorder be turned off or obstructed except during announced recesses or that period of time necessary to change tapes.

The Recording Secretary shall notify the presiding officer of any interruption in recording of the meeting except for that period of time necessary to change the audiotape. The presiding officer shall determine if a recess is necessary to allow reestablishment of the taping. Audio recordings shall be made available for Board member, employee and/or public review. A qualified District employee shall facilitate any review of the audio recording. Qualified District personnel shall also facilitate any copying of the audio recordings of board meetings. Cost recovery of copying such audiotapes shall follow District policy. Only one official recording shall be made of any meeting. Audio tapes shall be properly labeled and retained in a safe place at District Headquarters for a period of not less than one year from the date of the meeting recorded at which time the tape shall be electronically erased or otherwise destroyed. Any tape that is duplicated by request shall be retained for 18 months.

7.7 – Record of Closed Sessions

No audio recording or written minutes shall be taken in closed session. Official actions taken by the Board in closed sessions shall be announced in open session and shall be included in the written minutes of that meeting. All closed sessions shall conform to the Ralph M. Brown Act, Section 54950 through Section 54962 of the California Government Code. The Board Secretary and/or the District's attorney shall attend closed sessions of the Board of Directors and serve as Parliamentarian to ensure the limitation of discussion to those closed session items allowed by law and properly noticed on the board meeting agenda.

Policy 8 – Fund Management

8.1 – Fiscal Planning

The Board of Directors recognizes excellent fiscal planning as a key factor in attaining the District's goals and priorities. The Board seeks to engage in thorough advance planning of budgets to devise expenditures that achieve the greatest returns given the District's available resources.

8.2 – Financial Resources

The goal of the District's fund management policy is to establish and maintain effective management of the District's financial resources. Formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, this section outlines the policies used in guiding the disbursements from various District funds and the major objectives to be accomplished. The District maintains the following funds:

- General Fund
- Contingency Reserves Fund
- Uncompensated Leave Fund
- Special Projects Fund
- Capital Facilities Depreciation and Replacement Fund
- Vehicle Depreciation and Replacement Fund
- Contract Services Revenue Fund
- Fire Mitigation Fee Fund
- Budget Stabilization Fund

The District shall give the highest priority in the use of nonrecurring revenues to the funding of capital assets or other nonrecurring expenditures. Using nonrecurring revenues to fund ongoing expenditures results in incurring annual expenditure obligations that may be unfunded in future years. Using nonrecurring revenues to fund capital assets or other nonrecurring expenditures better enables future administrations and directors to cope with the financial problems when these revenue sources are discontinued, since these types of expenditures can more easily be eliminated.

Funds allocated to long-term commitments such as bond payments for capital improvements, facilities and equipment, including lease payments, shall be considered fiduciary obligations to maintaining the District's infrastructure. As bonds mature and payments expire, those funds previously allocated to the Districts long-term well-being shall continue to be allocated to the Districts long-term infrastructure needs. If long-term infrastructure requirements have not been specifically identified requiring reallocation, the amount of such funds or amount not reallocated to long-term infrastructure requirements, shall be annually deposited in a reserve account restricted to the long-term infrastructure needs of the District.

8.3 – Recurring Revenue

Recurring revenues are funds received throughout the fiscal year on a continuing basis. The District currently receives three types of recurring revenue: property taxes, interest earnings and miscellaneous revenue. Property taxes are collected by the County of San Diego and deposited into the General Fund. Interest earnings are received from the County of San Diego and placed directly into the individual funds that generate interest. The District collects miscellaneous revenue from various sources, primarily fire prevention fees.

8.4 – Nonrecurring Revenue

Nonrecurring revenues are funds that are received one time. Fire mitigation fees are restricted one time revenue. All other nonrecurring revenues are those received in prior fiscal years and then held on account for specific purposes. These include transfers from the General Fund and interest earnings on non-discretionary funds. Other than specifically designated funds, nonrecurring revenues shall not be used to fund ongoing expenses.

8.5 – District Funds

- a. General Fund (a discretionary fund). This fund is used to finance the ongoing, day-to-day operations of the District. Sources of operating funds include property taxes, interest earnings and miscellaneous revenue. The desired minimum beginning cash balance for the General Fund is \$500,000. As funding permits, all funds in excess of the minimum requirements, are normally transferred at the end of each fiscal year to the following funds (listed in order of priority): Vehicle Depreciation and Replacement Fund, Capital Facilities Depreciation and Replacement Fund, Uncompensated Leave Fund, Special Projects Fund, and the Contingency Reserves Fund.
- b. Contingency Reserves Fund (a non-discretionary fund). This fund was originally established as a contingency for the 1990a lease revenue bonds. The fund is now used as the District's unallocated contingency reserve to cover unexpected expenditures that may be necessary to fund Board approved expenses. Sources of funding consist of interest earnings and transfers from other funds. The goal level of this fund is 15% of the General Fund Budget.
- c. Uncompensated Leave Fund (a non-discretionary fund). This fund was established to fund the cash value of all employees' accrued annual and sick leave. The goal level on this fund is 75% of the current book value of all employee leave credits. Sources of funding are interest earnings and transfers from the General Fund.
- d. Special Projects Fund (a non-discretionary fund). This fund was established to cover the cost of new (not replacement) vehicles and apparatus and certain identified equipment. Sources of funding consist of interest earnings and transfers from the General Fund or other funds. The goal level of this fund is the anticipated cost of any planned new vehicles, apparatus, or capital equipment.

- e. Capital Facilities Depreciation and Replacement Fund (a non-discretionary fund). This fund was established to replace existing facilities. Sources of funding are interest earnings, transfers from the General Fund, and expired bond and lease payments. The depreciated value of all facilities is normally transferred from the General Fund at the end of each fiscal year. The depreciation schedules should normally be reviewed every three years to allow for cost of living increases or other impacts that may affect the depreciation schedule. The goal level of this fund is the current depreciated value of the District's capital facilities. (Note: The District currently does not fully fund the depreciated value of all its facilities. Only Stations 21 and 23 are currently being funded through this depreciation schedule. When the 1990a lease revenue bond is paid off in the year 2021, the funds previously allocated to this bond payment shall go towards funding the annual depreciated values of Stations 14, 15, 16, 18, 19, 22, and the Headquarters facility.)
- f. Vehicle Depreciation and Replacement Fund (a non-discretionary fund). This fund was established to replace existing staff vehicles and emergency apparatus. Sources of funding are interest earnings and transfers from the General Fund. The depreciated value of all vehicles is transferred from the General Fund annually. The Board of Directors adopts, reviews and, when necessary, modifies the emergency apparatus and staff vehicle plans. The depreciation schedules should normally be reviewed every three years to allow for cost of living increases and other impacts that may affect the needed deposits in this fund. The goal level of this fund is the current aggregate depreciated value of the District's vehicle fleet.
- g. Contract Services Revenue Fund (a non-discretionary fund). This fund was established when the District contracted with other local agencies for fire, emergency medical and communication services. Sources of funding are administrative charges from contract agencies and interest earnings. Expenditures shall normally be devoted to items that can be discontinued if the contract services are terminated. All funds not expended at the end of each fiscal year are transferred to the General Fund.
- h. Fire Mitigation Fee Fund (a non-discretionary fund). This fund was established by the County of San Diego. Sources of funding consist of interest earnings and fire mitigation fees collected by the County for all types of new construction. The District must receive approval from the County's Fire Mitigation Fee Review Committee prior to the expenditure of this fund. All funds from this account up to the amount of \$960,000.00 would normally be transferred to the General Fund at the end of each fiscal year until the District pays off its lease revenue bonds. After that, expenditures shall be made according to District and County policy of mitigating District infrastructure requirements due to impacts of growth and development.
- i. Budget Stabilization Fund (a discretionary fund): This fund was established as a means to offset one-time revenue shortfalls. General fund money in excess of the minimum beginning cash balance, after budgeted transfers, shall be placed in the Budget Stabilization Fund at the end of June.

Policy 9 – Fiscal Responsibility

9.1 – Guiding Principles

The primary responsibility for the District’s fiscal soundness lies with the elected Board of Directors. Fiscal plans must have a long-term focus – beyond the four-year election cycle. The District shall only spend its resources in accordance to its mission.

Good fiscal management requires the Board of Directors to think about the future using proactive careful planning with prudent forecasting. The District shall operate in a predictable fiscal environment where expenditures are controlled and, in good times, a reasonable portion of the District’s revenues shall be put aside in reserves to cope with swings in revenue and unanticipated expenditures. Good fiscal management also requires the District to regularly evaluate its fixed assets and proactively set aside sufficient funds to facilitate maintaining and enhancing the District’s fixed assets to fulfill its mission.

Fiscal responsibility and program priorities are closely intertwined. Fiscal plans must consider the effects of fiscal policy on all areas. The Board of Directors must be proactive rather than reactive. This approach includes an element of risk-taking in order to be innovative to respond to new opportunities.

9.2– The District Shall Live Within its Means

- a. Budgets will be balanced every year.
- b. Expenditures will remain within budget.
- c. The District will maintain good record keeping.
- d. All expenditures will be tracked.
- e. Revenue forecasts will be prudent and fiscally conservative.
- f. Spending plans will be affordable.
- g. The District will be open and accountable to its members and the community.
- h. Debt will be repaid.
- i. The future will not be encumbered with additional debt without providing a sustainable means of repayment. This includes all unfunded liabilities.

The District will be efficient in its business practices and share resources between tasks and programs whenever possible.

The District shall consistently scrutinize expenditures of its resources. At all times, both the financial and labor components of tasks and programs shall be closely monitored to assure there is a link between payment for resources and the use of those resources. A mechanism of measuring the accountability and outcomes of tasks and programs shall accompany all expenditures to insure tasks and programs accomplish their goals and objectives with a favorable return on the investment of the District's resources.

Fiscal soundness is affected by the volatility of the District's primary revenue resource and changing demographics. The District is dependent on the Legislature of the State of California to designate an annual apportionment from local property tax assessments. The long-term effects of an aging community, expanding and changing commercial areas, and increasing residential density contribute to financial pressures on the District's limited resources.

9.3 – Fiscal Sustainability

Maintaining sustainable spending on programs is important to the District, and there is a need to find the appropriate balance between tax levels, fees and services. Wherever and whenever appropriate, programs providing specific services should recover the cost of the District providing those services.

Fiscal sustainability requires the Board of Directors to establish and maintain sufficient financial reserves to indemnify unfunded liabilities and provide for future anticipated and unanticipated expenditures. The Board of Directors shall establish benchmarks for such reserves and prioritize general fund expenditures to include maintaining or obtaining sufficient reserve balances. Reserve funds shall only be used for singular nonrecurring expenditures.

Prior to authorizing or implementing any new program expenditure or commencing a new task, a source of funding and/or allocation of District resources must be identified.

Prior to authorizing or implementing any new ongoing program expenditure or commencing a new prolonged task, a source of ongoing sustainable funding and/or ongoing allocation of District resources must be identified. The cost of any ongoing program expenditure must include both anticipated increases in appreciable expenses as well as reserves for unanticipated expenses for all resources attributable to sustaining the program throughout the duration of the commitment.

Prior to authorizing or implementing any change in an existing program expenditure or expanding the scope of a task, a source of funding and/or allocation of District resources must be identified to support the change.

Prior to authorizing or implementing any change in an ongoing program expenditure or expanding the scope of a prolonged task, a source of ongoing sustainable funding and/or ongoing allocation of District resources must be identified to support the change. The cost of any change of an ongoing program expenditure must include both anticipated increases in appreciable expenses as well as reserves for unanticipated expenses for all resources attributable to sustaining the change of the program throughout the duration of the commitment.

At no time shall an allocation of District funding and/or resources diminish the mission of the District.

Fiscal Responsibility Includes:

- a. All tasks and programs must conform to the District's mission.
- b. Roles and responsibilities of all members of the District must be clearly defined and understood.
- c. All tasks and programs must have clearly defined priorities and expectations.
- d. Being proactive rather than reactive.
- e. Abandoning personal agendas for the welfare of the District.
- f. Cooperation of partnerships and relationships, internally and externally, to promote and improve efficiency and maximize effectiveness.
- g. Involving all members of the District in the budget process. Ultimately, everyone is responsible for the fiscal soundness of the District.

9.4 – Governmental Financial Accountability

The District is accountable to its primary customers, the taxpayers. The question, “Are the taxpayers receiving the best product for the funds expended by the District?” must be a part of every financial allocation authorized by the Board of Directors. In addition to accurate recordkeeping of what moneys are spent by the District, governmental financial accountability requires measuring the outcome and results of spending the taxpayers' money. Financial accountability also requires the Board of Directors to conduct periodic audits of the District's financial controls to validate expenditures, both financial and other uses of District resources.

Key elements must be addressed prior to authorizing any new expenditure or reallocation:

- a. Show evidence a problem exists.
- b. Show evidence the expenditure will fix the problem.
- c. Show evidence the problem cannot be addressed in another manner.

- d. Show the total cost of the expenditure.
- e. Show when the expenditure will begin and when the expenditure will conclude.
- f. Show any and all further expenditures necessary to maintain or improve the outcome.

9.5 – Establishment and Maintenance of Financial Reserves

Prudent fiscal responsibility requires the Board of Directors to establish financial reserves to accommodate anticipated and unanticipated District expenditures. The Board of Directors shall maintain reserve accounts and set appropriate funding levels for capital improvements, facility depreciation, vehicle depreciation, equipment depreciation, and unfunded liabilities. Additional reserve accounts and their respective funding levels may be established as necessary to insure the long-term fiscal health of the District.

9.6 – Financial Reserve Funding Levels

The Board of Directors shall periodically review the funding levels established for each reserve account and make adjustments as necessary to insure the long-term fiscal health of the District. To facilitate determining appropriate funding levels, the District shall perform an annual audit of the following critical elements of the District's operations.

- a. Future cost of new facilities and equipment needs based on projection for year of implementation for each identified facility and equipment acquisition.
- b. Replacement cost of existing facilities based on projection for year of implementation for each identified facility.
- c. Facilities maintenance cost with assessment of maximizing the serviceable life of facilities.
- d. Frontline vehicles and equipment inventory and replacement costs.
- e. Reserve vehicles and equipment inventory and replacement costs.
- f. Administrative equipment and other assets and replacement costs.
- g. Technology and infrastructure upgrades and acquisition costs.
- h. Cost of sustaining and obtaining grant funding and associated programs.
- i. Each reserve account shall show current and desired funding levels in the annual budget.

Policy10 – Board Member Notification

10.1 – Notification

Certain events that happen within the District boundaries or to District employees may require the need to inform the Board of Directors. In the case an event should occur, the Fire Chief, or his designee shall make necessary notifications to the Board President or if necessary, the entire Board of Directors.

Notifications will not be made in the event that Board Member presence will interfere with the management of an incident; violates the Brown Act; and/or timeliness of the issue vs. time of day.

10.2 – Pre-determined Events

The following events require notification to all Board Members:

- a. Fire Fatality (Civilian).
- b. Multiple Fatalities.
- c. Firefighter Fatality (or serious injury).
- d. 3rd Alarm Fire (with injuries).
- e. Extended Incident (beyond 12 hours).
- f. Major News Event (involving District or District Employee).
- g. News Events pertaining to District Policy and/or Board Issues.

10.3 – Method of Notification

The means to which the Board of Directors will be contact is listed by the type of event:

- a. Informational – Email, pages or text messages to all Board Members.
- b. Advisory – Direct contact to Board President.
- c. Alert – Direct contact to all Board Members.

10.4 – Notification Systems

The Board of Directors may be notified by systems designed for mass notification:

- a. FireAdmin.net.
- b. First Watch.
- c. Web EOC.
- d. TeleStaff.