

Tracy Rural County Fire Protection District

Board of Directors

John Muniz

John Vieira

Pete Reece

Matthew Kopinski

Jeff Ramsey

Raychel Jackson, Clerk of the Board

793 S. Tracy Blvd. #298

Tracy, CA 95376

(209) 834-7269

raychel.jackson@tracyruralfire.org

www.tracyruralfire.org

Board of Directors – Regular Meeting Agenda Tuesday, March 9, 2021 at 2:00 PM PST

To join the meeting via GoToMeetings:

<https://global.gotomeeting.com/join/249710053>

By phone: [1 \(224\) 501-3412](tel:12245013412)

Access Code: 249-710-053

Due to COVID-19, and in accordance with California Executive Orders N-25-20 and N-29-20, ***the District Board meeting will not be physically open to the public.*** To maximize public safety while still maintaining transparency and public access, members of the public can observe the meeting by accessing clicking the link above and may provide public comment by sending comments to the Board Clerk via email at raychel.jackson@tracyruralfire.org. Please make sure all public comments are submitted prior to 2:00 p.m. March 9, 2021. Comments will then be read into the record, with a maximum allowance of 3 minutes per individual comment, subject to Chair's discretion.

1. Roll Call and Pledge of Allegiance

2. Public Comment

Please, give your name, entity (if any), and address as well as what agenda item you wish to speak about to the Clerk of the Board so that your comments may be heard at the appropriate time. Comments must be limited to 3 minutes.

3. Consent Calendar

- 3.1 Adoption of the March 9, 2021 Agenda
- 3.2 Approval of the February 9, 2021 Minutes
- 3.3 Approval of the March 2, 2021 Special Meeting Minutes

4. Regular Agenda

- 4.1 Approve March Warrant List
- 4.2 February Monthly Financials
- 4.3 Approve Funding in an Amount Not to Exceed \$180,000 For the Replacement of Advanced Life Support Cardiac Monitors During FY2021-22
- 4.4 Receive an Update on the Fiscal Sustainability Model Related to Growth Projections and Compare with Previous Forecast
- 4.5 Clarification on Gift of Public Funds

5. Committee Reports

- 5.1 JPA Representative Report

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6. Informational Update

6.1 Fire Chief's Update

7. Public Comment

For any items not on the agenda.

8. Board Member Comment

For any items not on the agenda and requests for future agenda items. No action will be taken on any questions or matters raised by the Board at this time

9. Closed Session

10. Adjournment until Next Regular Session – April 13, 2021

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Board of Directors – Closed Session Agenda Tuesday, March 9, 2021 Following the Regular Meeting

1. Roll Call

2. Public Comment

Board will vote on limiting total time and individual times per Brown Act §54954.3. (b) (1). At this time, members of the public may only comment on an item appearing on the agenda. Please adhere to the following when addressing the Board: • Individual comments will be limited to 3 minutes or less. • Comments should be directed to the Board as a whole and not directed to individual Board Members

3. Adjourn to Closed Meeting

a. Consult with legal counsel regarding existing litigation (*Tracy Rural Fire District v. San Joaquin Local Area Formation Commission*, San Joaquin Superior Court Case No. 2019-9687). One case. Pursuant to California Government Code section 54956.9.

b. Consult with legal counsel regarding existing litigation (*Tracy Rural Fire District v. San Joaquin County EMSA*, San Joaquin Superior Court Case No. 2020-4468). One case. Pursuant to California Government Code section 54956.9.

4. Reconvene to Regular Meeting

5. Report out of Closed Meeting

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Board of Directors – Regular Meeting Minutes Tuesday, February 9, 2021 2:00 PM

1. Roll Call and Pledge of Allegiance

Director Muniz called the meeting to order at 2:03 pm. Directors Muniz, Reece, Ramsey and Kopinski present. Director Vieira arrived at 2:17 p.m.

2. Public Comment

No public comment.

3. Consent Calendar

3.1 Adoption of the February 9, 2021 Agenda

3.2 Approval of the January 19, 2021 Minutes

- Motion was made by Director Ramsey, seconded by Director Kopinski to accept the consent calendar. Motion passed unanimously.

4. Regular Agenda

4.1 Approve February Warrant List

- Motion was made by Director Ramsey, seconded by Director Reece to approve the February Warrant List. Motion passed unanimously.

4.2 January Monthly Financials

- Motion was made by Director Ramsey, seconded by Director Kopinski to approve the January Monthly Financials. Motion passed unanimously.

4.3 CSDA/SDLF Transparency Challenge Report.

- No Action was taken. Informationally only.

4.4 Review of Monthly Agenda Process

- This agenda item was informational only and not a policy change. However, a motion was made by Director Ramsey, seconded by Director Kopinski to accept the Review of Monthly Agenda Process with changes as follows: Chairperson shall collaborate with Fire Chief to establish the agenda; agenda shall be reviewed by Chairperson, legal counsel and Chief; agenda will be posted within the 72 hour period, per the Brown Act; and all staff reports/agenda items shall be submitted one week prior to the meeting. Motion passed unanimously.

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4.5 Board Member Appointment for Alternate to JPA

- Motion was made by Director Reece, seconded by Director Ramsey to appoint Director Vieira to be the Alternate to JPA. Motion passed unanimously.

4.6 Resolution 2021-03 To Authorize the Purchase of the Required Apparatus Equipment

- Motion was made by Director Kopinski, seconded by Director Ramsey to approve Resolution 2021-03 to Authorize the Purchase of the Required Apparatus Equipment. Motion passed unanimously.

4.7 Approve a FY20-21 Budget Expenditure to Fund a Training Academy

- Motion was made by Director Reece, seconded by Director Ramsey to approve a FY20-21 Budget Expenditure to Fund a Training Academy. Motion passed unanimously.

5. Committee Reports

5.1 JPA Representative Report

- Director Reece and Ramsey provided a report from the January 26, 2021 JPA board meeting including the approval of the agreement between City of Manteca and SSJCFA to provide fire prevention management services to City of Manteca with the help of Fire Marshall Spears until July 1st, and the City of Manteca will pay part of Fire Marshall Spears' pay.

6. Informational Update

6.1 Fire Chief's Update

- Chief Bradley provided his report based on the Fire Chief Update dated February 1, 2021, that was emailed to the Board of Directors and staff.
- Chief Bradley confirmed the formula split will start September 1, 2021, when Station 95 opens. District's portion will increase from 28% to 37%.

7. Public Comment

Chief Bradley extended the invitation to the Board to attend the walk-through at Station 95 (Tracy Hills), scheduled for February 10, 2021 at 1:00pm.

8. Board Member Comment

Director Muniz and Kopinski thanked and the firefighters for going to Los Angeles to help address the healthcare worker shortage.

Director Muniz gave his appreciation to all the firefighters, Chiefs and legal counsel.

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Director Muniz provided information of his meet and greet with City Manager with regards to working together.

Director Ramsey was very appreciative that Director Muniz reached out to the City Manager.

Director Reece requested the prior forecast from Chief Neave with budget to be on the March's agenda.

9. Closed Session

Chairperson Muniz called the closed session to order at 4:10 pm.

10. Meeting Adjournment at 5:05 pm.

No action taken.

Signature: *Raychel Jackson*

Raychel Jackson, Clerk of the Board
Tracy Rural County Fire Protection District

Date: February 15, 2021

Tracy Rural County Fire Protection District

Board of Directors
John Muniz
John Vieira
Pete Reece
Matthew Kopinski
Jeff Ramsey

Agenda Item 3.3
Raychel Jackson, Clerk of the Board
793 S. Tracy Blvd., #298
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Board of Directors – Special Meeting Minutes Tuesday, March 2, 2021 11:00 AM

1. Roll Call and Pledge of Allegiance

Director Muniz called the meeting to order at 11:03 am. All Directors present.

2. Public Comment

No public comment.

3. Information/Update Only

3.1 Discuss City of Tracy's Fiscal Impact Analysis Report

- Motion by Director Reece, seconded by Director Ramsey to have Director Ramsey present a public comment at the City of Tracy City Council meeting on March 2, 2021 regarding the City of Tracy's Fiscal Impact Analysis Report from Municipal Resource Group. Motion passed unanimously.

4. Public Comment

No public comment.

5. Board Member Comment

No Board Member comment.

6. Meeting Adjournment at 11:43 am.

No action taken.

Signature: *Raychel Jackson*

Raychel Jackson, Clerk of the Board
Tracy Rural County Fire Protection District

Date: March 4, 2021

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49501 -- March 9, 2021

GENERAL OPERATING FUND	AMOUNT	ACCOUNT	VENDOR #
JOHN MUNIZ 11931 MOUNTAIN VIEW ROAD TRACY, CA 95376	\$ 500.00	6226010900	. 0000027815
MATT KOPINSKI 33969 S. KOSTER ROAD TRACY, CA 95304	\$ 100.00	6226010900	. 0000101809
PETE REECE 30421 KOSTER ROAD TRACY, CA 95304	\$ 200.00	6226010900	. 0000010849
JEFF RAMSEY 27722 S. Bird Road TRACY, CA 95304	\$ 100.00	6226010900	. 0000098549
JOHN VIEIRA 19700 SOUTH LAMMERS ROAD TRACY, CA 95304	\$ 100.00	6226010900	. 0000010852
BOWMAN & BERRETH, LLP 1820 WEST KETTLEMAN LANE, SUITE F LODI, CA 95242	\$ 3,360.00 \$ 1,113.00 \$ 7,167.00	6221005100 6221005120 6221005130	. 0000078394 GOVERNANCE LAFCO
Total	\$ 11,640.00		
Special District Financial Services, LLC 1820 W. Kettleman Lane, Suite F Lodi, CA 95242	\$ 4,000.00	6221023800	. 0000097699
Blomberg & Griffen 1013 North California Street Stockton, CA 95202	\$ 750.00	6221005200	. 0000065007
South San Joaquin County Fire Authority 835 Central Avenue Tracy, CA 95376	\$1,944,249.89	6221005110	. 0000094467
TOTAL FOR GENERAL OPERATING FUND	\$ 1,961,639.89		

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT -- 49591 -- March 9, 2021

CAO RESERVE FUND 49591	AMOUNT	ACCOUNT	VENDOR #
Community First National Bank 215 Seth Child Rd. Manhattan, KS 66502	\$ 112,437.72		Attached W9
TOTAL CAO FUND 49591	\$ 112,437.72		

SIGNATURES OF BOARD MEMBERS

JOHN MUNIZ, CHAIRMAN

JOHN VIEIRA, DIRECTOR

MATT KOPINSKI, DIRECTOR

PETE REECE, VICE CHAIR

JEFF RAMSEY, DIRECTOR

PAID Monthly Expenses for March 2021 - TRF Operating Account - Bank of Stockton

Description	Date Paid	Amt. Due	Paid
PG&E station 4	3/3/2021	\$ 1,103.42	pd
PG&E station 3	3/3/2021	\$ 656.38	pd
EcoWater System	3/3/2021	\$ 56.00	pd
Delta Disposal	3/3/2021	\$ 270.26	pd
CalNet	3/3/2021	\$ 168.11	pd
CalPERS	3/3/2021	\$ 144.56	pd
Patriot Pest Control	3/3/2021	\$ 136.00	pd
Barth Roofing	3/3/2021	\$ 7,425.00	pd
Van Unen Miersma Propane	3/3/2021	\$ 2,136.95	pd
UPS Store - post office box	2/12/2021	\$ 546.00	pd
ATT - District Phone	2/19/2021	\$ 355.87	pd

Total Paid
\$ 12,998.55

7:42 PM

TRACY RURAL COUNTY FIRE PROTECTION DISTRICT

Balance Sheet

As of February 28, 2021

03/03/21

Accrual Basis

	<u>Feb 28, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank of Stockton-Operating	217,656.79
Fund 49501 - Operations	1,822,738.34
Fund 49512 - Retirement Buyout	146,225.70
Fund 49515 - Fire Facility Fees	430,994.90
Fund 49591 - Capital Outlay Res	<u>2,642,093.52</u>
Total Checking/Savings	<u>5,259,709.25</u>
Total Current Assets	<u>5,259,709.25</u>
TOTAL ASSETS	<u><u>5,259,709.25</u></u>
LIABILITIES & EQUITY	0.00

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STAFF REPORT

Meeting: Regular Meeting
Date: March 9, 2021
To: Board of Directors
From: Randall Bradley, Fire Chief

Re: APPROVE FUNDING IN AN AMOUNT NOT TO EXCEED \$180,000 FOR THE REPLACEMENT OF ADVANCED LIFE SUPPORT CARDIAC MONITORS DURING FY2021-22

RECOMMENDATION

Staff recommends that the Board of Directors approve funding for the replacement of Advanced Life Support (ALS) cardiac monitors during FY2021-22 in an amount not to exceed \$180,000.

BACKGROUND

On a daily basis, South San Joaquin County Fire Authority (SSJCFA) paramedics and EMTs use the ECG monitor to evaluate and treat patients in the pre-hospital setting. The ECG monitor is the tool that alerts the paramedic to a patient experiencing potentially life-threatening dysrhythmias. It has the advanced ability to evaluate 12-lead ECGs, deliver defibrillation, perform cardioversion, and monitor blood pressure. Cardiac monitors are a vital and required piece of ALS equipment.

The current ECG monitor model being utilized is the Physio-Control LifePak 12. These units are between 13 and 15 years old. Many of our existing monitors were purchased originally as “refurbished” to reduce costs. The most significant challenge we are now facing is the manufacturer no longer makes this model, they do not make replacement parts nor do they service the monitors. From a risk management perspective, these monitors are required to be calibrated and certified annually. In the interim, we have sourced a third-party vendor in Las Vegas to assist in keeping these monitors operational, but it is challenging and costly due to the scarcity of replacement parts. It is reasonable to project that in the near future, we will be unable to certify these units.

DISCUSSION

Cardiac monitors are required equipment for agencies providing ALS services. Extensive research and evaluation by our staff have identified compliant and efficient cardiac monitors to replace the outdated model. These new models are half the size and weight of the current model, and include the latest technological advancements which will enhance the quality of medical care.

FISCAL IMPACTS

The total estimated cost to replace cardiac monitors is approximately \$470,000 (10 monitors @ \$47,000 each). Based upon the anticipated change in the cost sharing formula during FY2021-22 (62.5% City/37.5% District), the District's estimated pro-rata share is \$176,250 and the City's share would be \$293,750. The objective is to purchase these new monitors at the beginning of the FY2021-22.

ATTACHMENTS

None.

Tracy Rural County Fire Protection District

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Agenda Item 4.4
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STAFF REPORT

Meeting: Regular Meeting
Date: March 9, 2021
To: Board of Directors
From: Tad Neave, Division Chief

Re: RECEIVE AN UPDATE ON THE FISCAL SUSTAINABILITY MODEL RELATED TO GROWTH PROJECTIONS AND COMPARE WITH PREVIOUS FORECAST

RECOMMENDATION

Staff recommends that the Board of Directors receive an update and comparison of the previously reviewed growth Financial Sustainability Model.

BACKGROUND

On November 16, 2017, staff presented the Board of Directors with a Financial Sustainability Model that analyzed the growth as predicted by City of Tracy (COT) Development Services Department (DS). The model monetized those development projections, and forecasted the rate of revenue growth in order to assist with planning for the additional staffing required to provide fire service to new growth areas.

In March of 2020, staff received updated growth projections from COT DS and updated the model to reflect those changes. Staff also expanded the analysis to look beyond isolated growth revenue and expenses and incorporated those forecasts into overall TRFD revenue and JPA allocation expense budget forecasts.

At the February Board of Directors meeting, a request was made to revisit previous forecasts and compare them to current estimates. Also, since the initial model was developed over 3 years ago, staff now has the ability to compare the initial projections with audited financial records and current fiscal year estimates to determine the accuracy of the model as it was forecasted.

DISCUSSION

As the attached comparison demonstrates, the model has proven to be a reliable predictor of financial sustainability. Where no forecasting model has the advantage of predicting the future exactly, the attached comparison identifies revenue and expenses with a degree of accuracy that proves the model's value for use in policy decisions of the Board of Directors.

The data in the attached comparison is grouped in two separate formats, each of which are designed to present the data in a way that is useful to the Board of Directors when making decisions. The first sheet sorts the data by each of the analysis periods; 1) November 2017 initial forecast, 2) March 2020 update with new growth assumptions from DS, 3) Current projections still utilizing DS's 2020 growth assumptions while using audited financials where available and current expenditure figures now available. The second sheet takes the same data and sorts it by account type, first comparing each of the three revenue comparisons, then the expenditures, and finally the surplus/deficit those two forecasts yield.

In addition to isolating the revenue and expenditures anticipated as a result of projected growth (*Growth Revenue and Expense Comparison*), each sheet includes a second data set that compares total TRFD revenue to TRFD's JPA allocations (*Total TRFD Revenue and JPA Allocation Comparison*) which yields the amount available to be spent on TRFD expenses in addition to their share of the Authority's approved operating expenses. As can be seen in the most recent forecast model, TRFD revenue is estimated to exceed its Authority expenses each year that is modeled. The surplus varies between \$1.89 mil to \$3.85 mil over TRFD's anticipated JPA allocation.

At the February 9, 2021 meeting, the Board of Directors unanimously approved funding for the recruit academy necessary to hire and train firefighters for the new Fire Station 95. The estimates presented within the updated Fiscal Sustainability Model provides the confidence necessary to move forward with the action taken in respect to the recruit academy.

FISCAL IMPACTS

None- Information requested and provided.

ATTACHMENTS

1. Attachment A - "Comparison by Analysis Date"
2. Attachment B - "Comparison by Account"

Growth Revenue and Expense Comparison by Analysis Date									
	FY 2018 / 2019	FY 2019 / 2020	FY 2020 / 2021	FY 2021 / 2022	FY 2022 / 2023	FY 2023 / 2024	FY 2024 / 2025	FY 2025 / 2026	FY 2026 / 2027
November 2017 Estimate									
Growth Generated Revenues	\$338,639.35	\$1,300,914.74	\$2,118,670.28	\$2,929,371.68	\$3,823,954.41	\$4,768,157.19	\$5,670,870.91	\$6,610,293.84	\$7,550,234.69
Growth Generated Expenses	\$0.00	\$773,400.97	\$1,593,206.01	\$2,898,786.21	\$4,281,267.34	\$4,409,705.36	\$4,541,996.52	\$4,678,256.42	\$4,818,604.11
Growth Generated Surplus/(Deficit)	\$338,639.35	\$527,513.76	\$525,464.27	\$30,585.47	(\$457,312.93)	\$358,451.83	\$1,128,874.39	\$1,932,037.42	\$2,731,630.59
March 2020 Revised Estimate									
Growth Generated Revenues	\$338,639.35	\$703,118.20	\$1,313,962.17	\$2,501,261.47	\$3,591,556.39	\$4,616,900.56	\$5,399,837.19	\$6,327,769.17	\$7,303,879.12
Growth Generated Expenses	\$0.00	\$0.00	\$0.00	\$2,383,739.65	\$2,455,251.84	\$2,528,909.40	\$5,209,553.36	\$5,365,839.96	\$5,526,815.15
Growth Generated Surplus/(Deficit)	\$338,639.35	\$703,118.20	\$1,313,962.17	\$117,521.82	\$1,136,304.55	\$2,087,991.16	\$190,283.83	\$961,929.21	\$1,777,063.97
Current Estimate (Feb 2021)									
Growth Generated Revenues	\$382,719.00	\$1,338,085.00	\$1,972,247.25	\$ 3,293,489.24	\$ 4,500,598.03	\$ 5,621,314.02	\$ 6,457,399.47	\$ 7,449,783.86	\$ 8,490,706.86
Growth Generated Expenses	\$0.00	\$0.00	\$0.00	\$ 2,432,169.43	\$ 2,505,134.51	\$ 2,580,288.55	\$ 5,315,394.41	\$ 5,474,856.24	\$ 5,639,101.93
Growth Generated Surplus/(Deficit)	\$382,719.00	\$1,338,085.00	\$1,972,247.25	\$ 861,319.81	\$ 1,995,463.52	\$ 3,041,025.47	\$ 1,142,005.07	\$ 1,974,927.62	\$ 2,851,604.94

Total TRFD Revenue and JPA Allocation Comparison by Analysis Date									
	FY 2018 / 2019	FY 2019 / 2020	FY 2020 / 2021	FY 2021 / 2022	FY 2022 / 2023	FY 2023 / 2024	FY 2024 / 2025	FY 2025 / 2026	FY 2026 / 2027
November 2017 Estimate									
Total TRFD Revenue Estimates		\$7,698,677.93	\$8,540,482.24	\$9,983,996.00	\$11,373,810.80	\$12,740,369.30	\$13,905,517.01	\$15,250,614.50	\$16,684,242.88
TRFD JPA Allocation		\$6,386,581.73	\$7,446,382.01	\$8,596,834.53	\$10,298,511.32	\$12,148,232.15	\$12,767,736.98	\$13,416,029.26	\$14,094,380.72
TRFD Remaining Revenue Estimate After JPA Allocation		\$1,312,096.20	\$1,094,100.22	\$1,387,161.48	\$1,075,299.48	\$592,137.15	\$1,137,780.03	\$1,834,585.24	\$2,589,862.16
March 2020 Revised Estimate									
Total TRFD Revenue Estimates	\$7,120,581.63	\$7,944,063.90	\$9,246,317.46	\$10,621,812.97	\$11,906,234.37	\$13,131,819.47	\$14,121,301.29	\$15,262,278.40	\$16,458,135.10
TRFD JPA Allocation	\$5,322,211.16	\$5,803,351.12	\$5,977,451.65	\$9,139,583.44	\$9,413,770.95	\$9,696,184.08	\$12,994,205.46	\$13,384,031.62	\$13,785,552.57
TRFD Remaining Revenue Estimate After JPA Allocation	\$1,798,370.47	\$2,140,712.78	\$3,268,865.81	\$1,482,229.52	\$2,492,463.42	\$3,435,635.39	\$1,127,095.84	\$1,878,246.78	\$2,672,582.53
Current Estimate (Feb 2021)									
Total TRFD Revenue Estimates	\$7,219,560.00	\$8,174,926.00	\$8,809,088.25	\$10,332,939.27	\$11,777,705.66	\$13,169,308.88	\$14,308,288.44	\$15,629,763.46	\$17,030,171.03
TRFD JPA Allocation	\$5,367,543.00	\$5,744,807.00	\$5,833,333.33	\$8,440,502.76	\$8,766,682.92	\$9,104,837.45	\$12,113,088.43	\$12,635,942.92	\$13,179,266.89
TRFD Remaining Revenue Estimate After JPA Allocation	\$1,852,017.00	\$2,430,119.00	\$2,975,754.92	\$1,892,436.51	\$3,011,022.74	\$4,064,471.44	\$2,195,200.01	\$2,993,820.54	\$3,850,904.13

Growth Revenue and Expense Comparison by Account									
	FY 2018 / 2019	FY 2019 / 2020	FY 2020 / 2021	FY 2021 / 2022	FY 2022 / 2023	FY 2023 / 2024	FY 2024 / 2025	FY 2025 / 2026	FY 2026 / 2027
Growth Generated Revenues									
November 2017 Estimate	\$338,639.35	\$1,300,914.74	\$2,118,670.28	\$2,929,371.68	\$3,823,954.41	\$4,768,157.19	\$5,670,870.91	\$6,610,293.84	\$7,550,234.69
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Current Estimate	\$382,719.00	\$1,338,085.00	\$1,972,247.25	\$3,293,489.24	\$4,500,598.03	\$5,621,314.02	\$6,457,399.47	\$7,449,783.86	\$8,490,706.86
Growth Generated Expenses									
November 2017 Estimate	\$0.00	\$773,400.97	\$1,593,206.01	\$2,898,786.21	\$4,281,267.34	\$4,409,705.36	\$4,541,996.52	\$4,678,256.42	\$4,818,604.11
March 2020 Revised Estimate	\$0.00	\$0.00	\$0.00	\$2,383,739.65	\$2,455,251.84	\$2,528,909.40	\$5,209,553.36	\$5,365,839.96	\$5,526,815.15
Current Estimate	\$0.00	\$0.00	\$0.00	\$2,432,169.43	\$2,505,134.51	\$2,580,288.55	\$5,315,394.41	\$5,474,856.24	\$5,639,101.93
Growth Generated Surplus/(Deficit)									
November 2017 Estimate	\$338,639.35	\$527,513.76	\$525,464.27	\$30,585.47	(\$457,312.93)	\$358,451.83	\$1,128,874.39	\$1,932,037.42	\$2,731,630.59
March 2020 Revised Estimate	\$338,639.35	\$703,118.20	\$1,313,962.17	\$117,521.82	\$1,136,304.55	\$2,087,991.16	\$190,283.83	\$961,929.21	\$1,777,063.97
Current Estimate	\$382,719.00	\$1,338,085.00	\$1,972,247.25	\$861,319.81	\$1,995,463.52	\$3,041,025.47	\$1,142,005.07	\$1,974,927.62	\$2,851,604.94

Total TRFD Revenue and JPA Allocation Comparison by Account									
	FY 2018 / 2019	FY 2019 / 2020	FY 2020 / 2021	FY 2021 / 2022	FY 2022 / 2023	FY 2023 / 2024	FY 2024 / 2025	FY 2025 / 2026	FY 2026 / 2027
Total TRFD Revenue Estimates									
November 2017 Estimate		\$7,698,677.93	\$8,540,482.24	\$9,983,996.00	\$11,373,810.80	\$12,740,369.30	\$13,905,517.01	\$15,250,614.50	\$16,684,242.88
March 2020 Revised Estimate	\$7,120,581.63	\$7,944,063.90	\$9,246,317.46	\$10,621,812.97	\$11,906,234.37	\$13,131,819.47	\$14,121,301.29	\$15,262,278.40	\$16,458,135.10
Current Estimate	\$7,219,560.00	\$8,174,926.00	\$8,809,088.25	\$10,332,939.27	\$11,777,705.66	\$13,169,308.88	\$14,308,288.44	\$15,629,763.46	\$17,030,171.03
TRFD JPA Allocation									
November 2017 Estimate	\$5,367,543.00	\$6,386,581.73	\$7,446,382.01	\$8,596,834.53	\$10,298,511.32	\$12,148,232.15	\$12,767,736.98	\$13,416,029.26	\$14,094,380.72
March 2020 Revised Estimate	\$5,322,211.16	\$5,803,351.12	\$5,977,451.65	\$9,139,583.44	\$9,413,770.95	\$9,696,184.08	\$12,994,205.46	\$13,384,031.62	\$13,785,552.57
Current Estimate	\$5,367,543.00	\$5,744,807.00	\$5,833,333.33	\$8,440,502.76	\$8,766,682.92	\$9,104,837.45	\$12,113,088.43	\$12,635,942.92	\$13,179,266.89
TRFD Remaining Revenue Estimate After JPA Allocation									
November 2017 Estimate		\$1,312,096.20	\$1,094,100.22	\$1,387,161.48	\$1,075,299.48	\$592,137.15	\$1,137,780.03	\$1,834,585.24	\$2,589,862.16
March 2020 Revised Estimate	\$1,798,370.47	\$2,140,712.78	\$3,268,865.81	\$1,482,229.52	\$2,492,463.42	\$3,435,635.39	\$1,127,095.84	\$1,878,246.78	\$2,672,582.53
Current Estimate	\$1,852,017.00	\$2,430,119.00	\$2,975,754.92	\$1,892,436.51	\$3,011,022.74	\$4,064,471.44	\$2,195,200.01	\$2,993,820.54	\$3,850,904.13

Tracy Rural County Fire Protection District

Board of Directors

John Muniz

John Vieira

Pete Reece

Matthew Kopinski

Jeff Ramsey

Agenda Item 4.5

Raychel Jackson, Clerk of the Board

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STAFF REPORT

Meeting: Regular Session
Date: March 9, 2021
To: Board of Directors
Prepared by: Raychel Jackson, District Clerk
Approved by: John Muniz, Board Chairperson

Re: Clarification on Gift of Public Funds

RECOMMENDATION

It is recommended the Board of Directors receive the report and to authorize staff to research and prepare a policy for a clear use of gifting public funds.

BACKGROUND

For purposes of state law, public funds are identified as any monies that are collected and retained in a district account. Any district funds are considered public funds. The District's main source of revenue is from tax payers through property taxes. The use of public funds is strictly defined in California Constitution Article 16, Section 6. Article 16, Section 6, prohibits public agencies, from making a gift of public funds to any individual (including public employee), corporation, or even to another government agency. Public officials cannot give, lend or authorize the making of any gift of public money to any person, association or corporation.

California Government Code §8314(a), states in relevant part, it is unlawful for any elected state or local officer ... to use or permit other to use public resources for a campaign activity, or personal or other purpose which are not authorized by law.

"Due to their unique operating environment, governments have a responsibility to be accountable for the use of resources that differs significantly from that of business enterprises. Although businesses receive revenues from a voluntary exchange between a willing buyer and seller, most governments obtain resources primarily from the involuntary payment of taxes." (GASB White Paper: *Why Governmental Accounting and Financial Reporting Is – And Should Be – Different* (April 2013)).

DISCUSSION

The Board has had questions arise about what types of expenditures constitute a gift of public funds. For example, are gift cards to fire personnel, showing Board appreciation for the performance of their public duty, or donations to a public benefit charity benefit allowable.

When purchased with public funds, gift certificates, mugs, free movies tickets are ordinarily going to be characterized as gifts of public funds, even when purchased for an event with public purpose because they confer a tangible private benefit on an individual. Public employees who

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receive such gifts are driven by motive to convey gratitude. As such, the gifts are likely an impermissible use of public monies.

In determining whether an expenditure is considered a “gift” within the meaning of the gift clause, the question is whether the funds are used for a public or private purpose. If the expenditure is for a public purpose, it will generally not be a gift. If the expenditure is for a private purpose, such as for the benefit of an employee or public official, it will likely be an unlawful gift of public funds.

The restriction against gifts of public funds is in place to ensure accountability to constituents and to prevent misuse of this public money. The District should exercise due care and diligence in determining whether or not a particular expense serves a primary public purpose.

The best way to guard against gift of public funds issues is through board policy; staff recommends preparing a gift policy.

FISCAL IMPACTS

None.

ATTACHMENTS

1. California Constitution Article 16, Section 6
2. California Government Code §8314

California Constitution

Article XVI - Public Finance

Section 6.

Universal Citation: [CA Constitution art XVI § 6](#)

SEC. 6.

The Legislature shall have no power to give or to lend, or to authorize the giving or lending, of the credit of the State, or of any county, city and county, city, township or other political corporation or subdivision of the State now existing, or that may be hereafter established, in aid of or to any person, association, or corporation, whether municipal or otherwise, or to pledge the credit thereof, in any manner whatever, for the payment of the liabilities of any individual, association, municipal or other corporation whatever; nor shall it have power to make any gift or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever; provided, that nothing in this section shall prevent the Legislature granting aid pursuant to Section 3 of Article XVI; and it shall not have power to authorize the State, or any political subdivision thereof, to subscribe for stock, or to become a stockholder in any corporation whatever; provided, further, that irrigation districts for the purpose of acquiring the control of any entire international water system necessary for its use and purposes, a part of which is situated in the United States, and a part thereof in a foreign country, may in the manner authorized by law, acquire the stock of any foreign corporation which is the owner of, or which holds the title to the part of such system situated in a foreign country; provided, further, that irrigation districts for the purpose of acquiring water and water rights and other property necessary for their uses and purposes, may acquire and hold the stock of corporations, domestic or foreign, owning waters, water rights, canals, waterworks, franchises or concessions subject to the same obligations and liabilities as are imposed by law upon all other stockholders in such corporation; and

Provided, further, that this section shall not prohibit any county, city and county, city, township, or other political corporation or subdivision of the State from joining with other such agencies in providing for the payment of workers' compensation, unemployment compensation, tort liability, or public liability losses incurred by such agencies, by entry into an insurance pooling arrangement under a joint exercise of powers agreement, or by membership in such publicly-owned nonprofit corporation or other public agency as may be authorized by the Legislature; and

Provided, further, that nothing contained in this Constitution shall prohibit the use of state money or credit, in aiding veterans who served in the military or naval service of the United States during the time of war, in the acquisition of, or payments for, (1) farms or homes, or in projects of land settlement or in the development of such farms or

homes or land settlement projects for the benefit of such veterans, or (2) any business, land or any interest therein, buildings, supplies, equipment, machinery, or tools, to be used by the veteran in pursuing a gainful occupation; and

Provided, further, that nothing contained in this Constitution shall prohibit the State, or any county, city and county, city, township, or other political corporation or subdivision of the State from providing aid or assistance to persons, if found to be in the public interest, for the purpose of clearing debris, natural materials, and wreckage from privately owned lands and waters deposited thereon or therein during a period of a major disaster or emergency, in either case declared by the President. In such case, the public entity shall be indemnified by the recipient from the award of any claim against the public entity arising from the rendering of such aid or assistance. Such aid or assistance must be eligible for federal reimbursement for the cost thereof.

And provided, still further, that notwithstanding the restrictions contained in this Constitution, the treasurer of any city, county, or city and county shall have power and the duty to make such temporary transfers from the funds in custody as may be necessary to provide funds for meeting the obligations incurred for maintenance purposes by any city, county, city and county, district, or other political subdivision whose funds are in custody and are paid out solely through the treasurer's office. Such temporary transfer of funds to any political subdivision shall be made only upon resolution adopted by the governing body of the city, county, or city and county directing the treasurer of such city, county, or city and county to make such temporary transfer. Such temporary transfer of funds to any political subdivision shall not exceed 85 percent of the anticipated revenues accruing to such political subdivision, shall not be made prior to the first day of the fiscal year nor after the last Monday in April of the current fiscal year, and shall be replaced from the revenues accruing to such political subdivision before any other obligation of such political subdivision is met from such revenue.

(Sec. 6 amended Nov. 2, 1982, by Prop. 8. Res.Ch. 60, 1982.)

State of California

GOVERNMENT CODE

Section 8314

8314. (a) It is unlawful for any elected state or local officer, including any state or local appointee, employee, or consultant, to use or permit others to use public resources for a campaign activity, or personal or other purposes which are not authorized by law.

(b) For purposes of this section:

(1) "Personal purpose" means those activities the purpose of which is for personal enjoyment, private gain or advantage, or an outside endeavor not related to state business. "Personal purpose" does not include the incidental and minimal use of public resources, such as equipment or office space, for personal purposes, including an occasional telephone call.

(2) "Campaign activity" means an activity constituting a contribution as defined in Section 82015 or an expenditure as defined in Section 82025. "Campaign activity" does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes, including the referral of unsolicited political mail, telephone calls, and visitors to private political entities.

(3) "Public resources" means any property or asset owned by the state or any local agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and state-compensated time.

(4) "Use" means a use of public resources which is substantial enough to result in a gain or advantage to the user or a loss to the state or any local agency for which a monetary value may be estimated.

(c) (1) Any person who intentionally or negligently violates this section is liable for a civil penalty not to exceed one thousand dollars (\$1,000) for each day on which a violation occurs, plus three times the value of the unlawful use of public resources. The penalty shall be assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General or by any district attorney or any city attorney of a city having a population in excess of 750,000. If two or more persons are responsible for any violation, they shall be jointly and severally liable for the penalty.

(2) If the action is brought by the Attorney General, the moneys recovered shall be paid into the General Fund. If the action is brought by a district attorney, the moneys recovered shall be paid to the treasurer of the county in which the judgment was entered. If the action is brought by a city attorney, the moneys recovered shall be paid to the treasurer of that city.

(3) No civil action alleging a violation of this section may be commenced more than four years after the date the alleged violation occurred.

(d) Nothing in this section shall prohibit the use of public resources for providing information to the public about the possible effects of any bond issue or other ballot measure on state activities, operations, or policies, provided that (1) the informational activities are otherwise authorized by the constitution or laws of this state, and (2) the information provided constitutes a fair and impartial presentation of relevant facts to aid the electorate in reaching an informed judgment regarding the bond issue or ballot measure.

(e) The incidental and minimal use of public resources by an elected state or local officer, including any state or local appointee, employee, or consultant, pursuant to this section shall not be subject to prosecution under Section 424 of the Penal Code.

(Amended by Stats. 2003, Ch. 62, Sec. 109. Effective January 1, 2004.)