

Submitted and to be presented by Julie Stein

Roles and Responsibilities in the KFPD check payment process and the KFPD checking account, to include: Resolution 20-01; implementation of Policy 8 Checking Account; paper check preparation and signature roles, electronic banking payment and check preparation, approval, and signature roles; ATM card and additional roles, creation of the required new role of District Treasurer, process for authorized user transitions.

Action = board discussion, possible action, and possible direction to staff. (Stein; Supporting documentation in advance or at the board meeting.)

Additional documentation will be presented at the meeting.

Discussion will focus on all of the topics above, and will be influenced by the current status of the Kensington Fire Protection District Checking Account at the time of the board meeting.

Attachments include relevant board decisions (executed copies on file), board policies, and banking documents.

RESOLUTION NO. 20-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KENSINGTON FIRE PROTECTION DISTRICT
DESIGNATING PERSONS AUTHORIZED TO SIGN AND ACT ON
MATTERS RELATED TO MECHANICS BANK**

RECITALS

WHEREAS the Kensington Fire Protection District (“District”) has selected Mechanics Bank as its banking institution and has established accounts therein; and

WHEREAS the District desires to designate the persons authorized to sign and act on behalf of the District on matters related to Mechanics Bank and to revoke all prior authorizations; and

WHEREAS the District desires to authorize the members of the District Finance Committee, as may be appointed from time to time, as such persons who may sign and act on behalf of the District on matters related to Mechanics Bank; and

WHEREAS the District further desires to authorize the General Manager of the District, as may be appointed from time to time, as a person who may sign and act on behalf of the District on matters related to Mechanics Bank; and

WHEREAS such authorization requires the submission of a Mechanics Bank Association Banking Resolution, attached hereto and incorporated herein (“Banking Resolution”) that is signed on behalf of the District, as well as a letter requesting all prior authorizations be revoked; and

WHEREAS the District desires to authorize the District Board Secretary to submit such a letter and to sign and submit the Banking Resolution; and

WHEREAS the District further desires to authorize future changes to its banking authorizations as the members of the Finance Committee and the individual appointed as General Manager change from time to time.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Kensington Fire Protection District hereby designates the members of the District Finance Committee as such persons authorized to sign and act on behalf of the District on matters related to Mechanics Bank. The Board of Director also authorizes the person appointed at a future date to the position of General Manager of the District to sign and act on behalf of the District on matters related to Mechanics Bank.

BE IT FURTHER RESOLVED that the Board of Directors of the Kensington Fire Protection District hereby approves the Mechanics Bank Association Banking Resolution attached hereto and authorizes the Board Secretary to sign such resolution and submit it to Mechanics Bank on behalf of the District. The District Board Secretary is further authorized to submit a letter to Mechanics Bank revoking all prior authorizations of the District.

BE IT FURTHER RESOLVED that the District Board Secretary, as may be appointed from time to time, is hereby authorized to update the persons authorized to sign and act on behalf of the District on matters related to Mechanics Bank to reflect the members of the District Finance Committee and the General Manager, as those positions may change from time to time, and to submit such documentation, including letters revoking prior authorizations and association banking resolutions, as may be necessary.

* * * * *

PASSED, APPROVED AND ADOPTED this 11th day of March, 2020,
by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Julie Stein
President, Board of Directors

ATTEST:

APPROVED AS TO FORM

Laurence Nagel
Board Secretary

John Bakker
General Counsel

ASSOCIATION BANKING RESOLUTION

KENSINGTON FIRE PROTECTION DISTRICT

I certify that I am the Secretary of the _____, an Unincorporated Association organized under the laws of the state of CALIFORNIA ("Organization"). I also certify that a meeting of the Organization's Board of Directors (or Organizers) held on _____ at which a quorum was present and acting throughout, the following resolutions were adopted and are now in full effect.

AUTHORITY TO SIGN AND ACT FOR THE ORGANIZATION
(Cross out any of the below acts that the designated officers are not authorized to perform.)

It is resolved that the officers now or subsequently holding the positions named below are individually authorized in the name of and on behalf of the Organization, to:

- Establish any banking accounts and services.
- Sign, or change in writing, any agreement with Bank regarding Organization's banking deposit relationship, including the use of automated teller services.
- Specify in writing to Bank the individuals who are authorized, in the name of and on behalf of Organization to:
 - Withdraw funds from any of Organization's banking accounts on Organization's checks or orders, subject to any multiple signature requirements, as set forth in a separate agreement between Organization and Bank.
 - Individually use an automated teller card to access any of Organization's deposit accounts, regardless of any multiple signature requirements otherwise applicable to the accounts.
 - Endorse and deliver to Bank, for any purpose, and in any amount, negotiable or non-negotiable commercial paper of any kind, owned by, held by, or payable to Organization.
 - Send, review, and/or authorize wire and electronic transfers of funds from Organization's accounts. Such authority may be exercised by such authorized individuals acting alone, regardless of any multiple signature requirements otherwise applicable to the accounts.
 - Otherwise access Organization's deposit accounts.

This authority may be exercised at such time and on such terms as Organization's designated Representatives believe proper. This authority will remain in effect until Bank receives written notice of revocation at the Office where Organization's banking relationship is maintained.

I further certify that the following are true and correct specimen signatures of Organization's designated Representatives, who hold the titles stated below. **Please cross out any unused signature lines.**

Representative's Name (Typed or Clearly Printed)	Representative's Signature	Title (Typed or Clearly Printed)
Representative's Name (Typed or Clearly Printed)	Representative's Signature	Title (Typed or Clearly Printed)
Representative's Name (Typed or Clearly Printed)	Representative's Signature	Title (Typed or Clearly Printed)
Representative's Name (Typed or Clearly Printed)	Representative's Signature	Title (Typed or Clearly Printed)

Ratification of Prior Acts

Organization ratifies and authorizes all acts of any of the Organization's designated Representative(s) performed in the name of Organization with respect to Organization's banking deposit relationship before the date of this authorization.

WITNESSED

Secretary's Name (Typed or Clearly Printed)	Secretary's Signature	Date
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When the Secretary is designated as the Organization's sole Representative, this Resolution should also be signed by a second officer, preferably one not so designated:

Name and Title (Typed or Clearly Printed)	Signature	Date
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Instructions

ASSOCIATION BANKING RESOLUTION

This form establishes the Organization's "Designated Representatives" and defines banking activities the Representatives are authorized to conduct in the name of and on behalf of the Organization. **This form may not be altered without prior agreement and consent from Bank.**

Please read/review the entire Association Banking Resolution and complete as follows:

- In the top portion of the Resolution, indicate, where applicable:
 - The name of the Organization.
 - The name of the state under whose laws the Organization has been organized.
 - The date (month/day/year) of the Organization's meeting that adopted the Resolutions.

- In the middle portion of the Resolution:
 - Type or clearly print the name of each authorized Representative.
 - Each authorized Representative must provide his or her signature specimen.
 - Type or clearly print the Title of each named authorized Representative. **Please cross out any unused signature lines.**

- In the bottom portion of the Resolution:
 - Type or clearly print the name of Organization's Secretary.
 - The Secretary must provide his or her signature specimen.
 - Type or clearly print the date (month/day/year) the Resolution was executed. **The Witnessed section must be completed and signed by the Organization's Secretary.**
 - **If the Secretary is the only Designated Representative**, a second officer of the Organization should:
 - Type or clearly print his or her name.
 - Provide his or her signature specimen.
 - Type or clearly print the date (month/day/year) the Resolution was executed.
 - If a second officer of the Organization is not available, **please cross out the unused signature line.**

[to be printed on KFPD letterhead]

March [signature date, to be inserted], 2020

Mechanics Bank
Kensington Office
279 Arlington Avenue
Kensington, CA 94707

Re: Persons Authorized to Sign and Act On Behalf of Kensington Fire Protection District

To Whom It May Concern:

On March 11, 2020 the Board of Directors of the Kensington Fire Protection District (“District”) duly adopted Resolution 20-01, enclosed with this letter, authorizing the Directors appointed to the District Finance Committee and the General Manager, when the position is filled, as the persons authorized to act on behalf of the District with respect to Mechanics Bank.

The current members of the District Finance Committee are Julie Stein and Don Dommer.

By adopting Resolution 20-01, the Board of Directors also adopted the attached Association Banking Resolution, which names the persons authorized to sign and act on behalf of the District.

Finally, by adopting Resolution 20-01, the Board of Directors authorized me as Board Secretary to submit this letter and request all prior authorizations granted by or on behalf of the District be revoked. Please update your records accordingly.

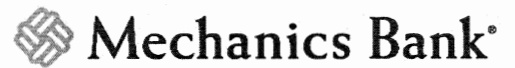
Warm Regards,

Laurence Nagel
Board Secretary
Kensington Fire Protection District

217 Arlington Avenue, Kensington, CA 94707

tel: 510-527-- 8395 fax: 510-527-8396 fire@kensingtonfire.org

Public Entity Banking Resolution



I certify that I am the Treasurer of _____, a Public Entity organized under the laws of the state of _____ ("Organization"). I also certify that at a meeting of the Organization's Board of Directors held on _____ at which a quorum was present and acting throughout, the following resolutions were adopted and are now in full effect.

AUTHORITY TO SIGN AND ACT FOR THE ORGANIZATION
(Cross out any of the below acts that the designated persons are not authorized to perform.)

It is resolved that the persons now or subsequently holding the positions named below are individually authorized in the name of and on behalf of the Organization to:

- Establish any banking accounts and services.
- Sign, or change in writing, any agreement with Bank regarding Organization's banking deposit relationship, including the use of automated teller services.
- Specify in writing to Bank the individuals who are authorized, in the name of and on behalf of Organization to:
 - Withdraw funds from any of Organization's banking accounts on Organization's checks or orders.
 - Individually use an automated teller card to access any of Organization's deposit accounts.
 - Endorse and deliver to Bank, for any purpose, and in my amount, negotiable or non-negotiable commercial paper of any kind, owned by, held by, or payable to Organization.
 - Send, review, and/or authorize wire and electronic transfers of funds from Organization's deposit accounts. Such authority may be exercised by such authorized individuals acting alone.
 - Otherwise access Organization's deposit accounts.

This authority may be exercised at such time and on such terms as Organization's designated Representatives believe proper. This authority will remain in effect until Bank receives written notice of revocation at the Office where Organization's banking relationship is maintained.

I further certify that the following are true and correct specimen signatures of Organization's designated Representatives, who hold the titles stated below. **Please cross out any unused signature lines.**

_____ Representative's Name (Typed or Clearly Printed)	_____ Representative's Signature	_____ Title (Typed or Clearly Printed)
_____ Representative's Name (Typed or Clearly Printed)	_____ Representative's Signature	_____ Title (Typed or Clearly Printed)
_____ Representative's Name (Typed or Clearly Printed)	_____ Representative's Signature	_____ Title (Typed or Clearly Printed)
_____ Representative's Name (Typed or Clearly Printed)	_____ Representative's Signature	_____ Title (Typed or Clearly Printed)

Ratification of Prior Acts

The Organization ratifies and authorizes all acts of any of the Organization's designated Representative(s) performed in the name of Organization with respect to Organization's banking deposit relationship before the date of this authorization.

WITNESSED

_____ Treasurer's Name (Typed or Clearly Printed)	_____ Treasurer's Signature	_____ Date
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When the Treasurer is designated as the Organization's sole Representative, this Agreement should also be signed by a second officer.

_____ Name and Title (Typed or Clearly Printed)	_____ Signature	_____ Date
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Instructions

This form establishes the Organization's "Designated Representatives" and defines banking activities the Representatives are authorized to conduct in the name of and on behalf of the Organization. **This form may not be altered without prior agreement and consent from Bank.**

Please read/review the entire Public Entity Banking Resolution and complete as follows:

- In the top portion of the Resolution, indicate, where applicable:
 - The name of the Organization.
 - The name of the state under whose laws the Organization has been organized.
 - The date of the Organization's meeting that adopted the Resolutions.
- In the middle portion of the Resolution:
 - Type or clearly print the name of each authorized Representative.
 - Each authorized Representative must provide his or her signature specimen.
 - Type or clearly print the Title of each named authorized Representative. **Please cross out any unused signature lines.**
- In the bottom portion of the Resolution:
 - Type or clearly print the name of Organization's Treasurer.
 - The Treasurer must provide his or her signature specimen.
 - Type or clearly print the date the Resolution was executed. **The Witnessed section must be completed and signed by the Organization's Treasurer.**
 - **If the Treasurer is the only Designated Representative**, a second officer of the Organization should:
 - Type or clearly print his or her name.
 - Provide his or her signature specimen.
 - Type or clearly print the date the Resolution was executed.
 - If a second officer of the Organization is not available, **please cross out the unused signature line.**

KENSINGTON FIRE PROTECTION DISTRICT POLICY HANDBOOK

POLICY TITLE: Investment of District Funds
POLICY NUMBER: 1160

1160.10 PREMISE

The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) §53600.6 and §53630.1); and,

Government Code Sections 5921 and 53601, et seq., allow the legislative body of a local agency to invest surplus monies not required for the immediate necessities of the local agency; and,

The treasurer or fiscal officer of a local agency is required to annually prepare and submit a statement of investment policy and such policy, and any changes thereto, is to be considered by the local agency's legislative body at a public meeting (CGC §53646(a)).

1160.20 INVESTMENT POLICY

For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the Kensington Fire Protection District to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of the Kensington Fire Protection District funds.

1160.30 SCOPE

This investment policy applies to all financial assets of the Kensington Fire Protection District. These funds are accounted for in the Independent Annual Financial Report and include:

Demand Account:
General Fund
Special Tax Fund
Capital Reserve Fund

Investments:
Local Agency Investment Fund

1160.40 PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (CGC §53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations for expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

1160.50 OBJECTIVES

As specified in CGC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives of the investment activities, in priority order, shall be:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the Kensington Fire Protection District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- B. **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the Kensington Fire Protection District to meet all operating requirements which might be reasonably anticipated.
- C. **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

1160.60 MANAGEMENT OF INVESTMENTS

Authority to manage the investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby assigned to the Manager who shall act in consultation with the Finance Committee. District investments shall be maintained by the County Treasurer. Under the provisions of California Government Code §53600.3, the Manager and the Finance Committee are trustees and fiduciaries subject to the prudent investor standard.

1160.70 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

1160.80 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

No public deposit shall be made except in a qualified public depository as established by state laws.

1160.90 INVESTMENT POLICY REVIEW

This Investment Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.