

SIERRA COUNTY FIRE PROTECTION DISTRICT #1

FINANCIAL POLICY



FINANCIAL OVERSIGHT – FINANCE COMMITTEE

PURPOSE:

The purpose of this Policy is to list options for oversight on financial matters concerning operations of Sierra County Fire Protection District #1.

POLICY:

It shall be the policy of the Sierra County Fire Protection District #1 Board of Directors to provide financial oversight for the provision of services to the citizens served by the District. This governing body shall function as prescribed in the California Special District Law, Fire Protection Districts (Health and Safety Code §13800et. Seq.), the Meyers-Milias-Brown Act, and the Ralph M. Brown Act.

When determined to be necessary or desirable, as outlined in the *Board of Directors Operations Policy, Article V, Section 5.5*, the Board of Directors may form and maintain a Finance Committee to provide financial oversight for provision of services to the citizens served by the Sierra County Fire Protection District #1 and make recommendations to the Board of Directors.

INTENT:

The provisions of the policy are to assist the Board of Directors of the Sierra County Fire Protection District #1 as they administer and represent the business and affairs of the District. It is the intent and purpose of this directive to help, clarify and define the responsibilities of the authorized officials of the Sierra County Fire Protection District #1.

PROCEDURES:

When the Finance Committee is utilized to provide financial oversight on behalf of the Board of Directors, the Committee shall:

Review Monthly Financial Statements and Expenditure Detail with staff and make recommendations to the Board of Directors.

Review other financial reports and issues with staff as directed by the Board.

Review the Annual Budget with staff and make recommendations to the Board.

Work with staff on financial issues, revenue and expenditure issues as directed by the Board.

When the Finance Committee is not utilized, the full Board of Directors shall be responsible for carrying out these financial duties for Sierra County Fire Protection District #1.

SIERRA COUNTY FIRE PROTECTION DISTRICT #1

FINANCIAL POLICY



CREDIT CARD USAGE

PURPOSE:

The purpose of this policy is to prescribe the internal controls for management of District credit cards.

POLICY:

This policy applies to all individuals who are authorized to use District credit cards and/or who are responsible for managing credit card accounts and /or paying credit card invoices.

IMPLEMENTATION:

A credit card shall be issued to the Fire Chief. Credit cards may also be issued to members of the Board of -Directors who provide procurement and operation oversight under the direction of the full Board of Directors. A credit card shall be issued to the District Bookkeeper for vendor purchases which do not accept credit account purchases but are of benefit to the District. Card limits are as follows:

Fire Chief	\$5,000
Fire Chief Deployment Card	\$2,000
Director	\$2,000
Bookkeeper	\$2,000

All credit card invoices shall be paid in a timely manner to avoid late fees and finance charges.

All credit card expenses shall be reasonable and necessary to the furtherance of District business. Credit cards should not be used if the District has an existing account relationship with the merchant. No personal expenses shall be charged on a District credit card. If there is an overlap on a transaction between personal and District business, the purchase shall be paid personally and then request reimbursement from the District.

All credit card transactions shall have third-party documents (receipts) attached and the District purpose annotated by the cardholder. Documentation should be forwarded to the District Bookkeeper as soon as possible.

The District Bookkeeper shall review expenditures with the Finance Committee or the full Board of Directors.



**AUTHORIZED USER AGREEMENT
USE OF DISTRICT ISSUED CREDIT CARDS**

Sierra County Fire Protection District #1 (the “District”) will issue credit cards to authorized individuals for use in their jobs. The District Issued Credit Card Policy sets out the acceptable and unacceptable uses of such credit cards. Use of District-issues credit cards is a privilege, which the District may withdraw in the vent of serious or repeated abuse.

I, _____, hereby certify that I have read, understand, and agree to adhere to the Authorized User Agreement: Use of District Issued Credit Card and District Credit Card Usage Policy. I agree to use the credit card for District business only. I agree that if I make any transactions in violation of the policy, I.e., incur financial liability on the District’s part that is not within the scope of my duties, my authorization to make business-related purchases, or use the card for personal purchases, I am financially responsible for any such expenses and agree to reimburse the District for such amounts until the unauthorized amounts are fully repaid.

I have read the Authorized User Agreement: Use of District Issued Credit Card and understand that misuse of the District-issued credit card may result in disciplinary and/or legal action.

Signature of Authorized User

Date

Name (Please Print)



INVESTMENT POLICY

PURPOSE:

This policy is intended to provide guidelines for the prudent investment of the District’s cash for which no immediate need is anticipated. The District has chosen to abide by a uniformly conservative policy in the investment of temporarily idle funds.

The District follows the “prudent person rule” outlined in the Civil Code, §2261, et. Seq., which states in essence that in investing, a commissioner shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs. The District is further restricted by provisions of the Government Code, §53600, et. Seq.

The District considers investments based on safety, liquidity and yield when choosing investment options. The District attempts to obtain the highest yield obtainable, as long as investments meet the criteria established for safety and liquidity. The District only operates those investments that are considered safe. Liquidity of funds is considered in terms of expected and unexpected need for the funds based on known encumbrances and historical experience. As a minimum the District shall maintain reserve balances consistent with the District’s current Financial Reserve Policy.

CERTIFICATES OF DEPOSIT:

The District may enter into any contract with a depository relating to any deposit which in the Board’s judgement is to the public advantage with certain restrictions. Any deposit to a savings association or bank shall not exceed a level of such that is insured or secured as required by law.

CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM (Cal CLASS):

The District may periodically deposit monies into the Cal CLASS investment pool. There is no set maturity date of these investments. They may be withdrawn at any time without penalty. The interest rates should be reviewed periodically along with Certificates of Deposit (CD’s) issued by local banks or savings associations when determining best investment strategies.

SIERRA COUNTY INVESTMENT POOL:

The Board of Directors has set forth the authorization and deposit of the investment of excess funds with the Treasurer of Sierra County, as outlined by Resolution 2014-1. The Board of Commissioners Directors may determine, from time to time, that it may be advantageous to make deposits for the purposes of investment with the Sierra County Treasurer. The Board of Commissioners Directors has reviewed the Sierra County Treasurer’s Investment Policy Statement (the “IPS) and is familiar with its contents. Having considered and weighed the risks of investing (including, but not limited to, the risks of loss of interest and principal) the Board of Directors finds and determines that it is appropriate and legal to invest its money in the Sierra County Treasury as permitted by the IPS. The authority to make deposits and withdrawals of District funds in the County Investment Pool is delegated to the County Secretary/Treasurer.



CAPITALIZATION AND DEPRECIATION:

Capital projects or composite group purchases approved as part of the Capital Improvement Budget shall be capitalized at the end of the fiscal year that the project or purchase is completed and accepted by the District’s Board of Directors as an asset to the District. It is the District’s policy not to capitalize any project or purchase with a value of less than \$5,000 unless an individual purchase can be associated with a completed project or composite group of approved purchases. Depreciation shall be computed by the District Auditor and reviewed by the District Bookkeeper during the annual audit.

SIERRA COUNTY TAX COLLECTOR:

Property taxes are collected by Sierra County and held until requested by the District. These funds are invested according to the Sierra County Treasurer’s Investment Policy.

LOCAL AGENCY INVESTMENT FUND (LAIF)

The Local Agency Investment Fund (LAIF) is a voluntary program created by state statute in 1977 as an investment alternative for California’s local governments and special districts. This program offers local agencies the opportunity to participate in a major portfolio using the expertise of the State Treasurer’s Office professional investment staff at no additional cost to the taxpayer. The District maintains funds through LAIF, administered by the Board of Directors through the Sierra County Treasurer. There is no maturity date of these investments and with Board approval, they may be withdrawn at any time without penalty.

GRANT FUNDS:

On occasion the Sierra County Fire Protection District #1, under the guidance of the Sierra County Treasurer’s Office, may receive and disperse grant funds intended for use by other agencies or committees within District boundaries which are beneficial to constituents of the District. These grants funds will be held and dispersed as agreed, with no financial impact to the District.