

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT  
MEMORANDUM  
06/05/2023

TO: FRAQMD BOARD OF DIRECTORS

FROM: Christopher Brown AICP, APCO

SUBJECT: Approve Resolution #2023-11 to change the District's banking relationship and move operating transactions outside of Yuba County Fund #725 over to Five Star Bank and authorize the Chairman and the APCO to execute related documents.

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RECOMMENDATION:

Approve Resolution #2023-11 and authorize the Chairman and the APCO to enter into a new banking relationship on behalf of the District and move operating transactions outside of Yuba County Fund #725 over to Five Star Bank.

BACKGROUND:

The District's Unification Agreement stated the District funds shall be held by the Yuba County Treasurer.

The District currently holds 2 funds in the Yuba County Treasurer's office, Fund #725 the District Fund and Fund #728 the Grant Project Fund that is restricted to projects only.

The District already holds one bank account outside of Yuba County with Bank of America bank for all payroll expenses.

DISCUSSION:

By using Fund #725 for all operating revenue and expense transactions, it causes a large inefficient daily burden to the accounting and administrative staff of the District. In addition, it limits the ability of the District to pay vendors electronically.

Beginning with the fiscal year 23/24, staff is recommending shifting the day-to-day operating transactions to external of Yuba County and instead utilize a direct District banking relationship with Five Star Bank. This will allow the District to further streamline internal accounting processes and utilize additional software for accounts payable management.

The APCO is working with Creating Answers to interview 3 banks, including the existing relationship of Bank of America. They are working to find the best fit for the District's needs with minimal fees.

Both Funds #725 and #728 will remain active with Yuba County. Funds would be transferred from 725 to the new bank account prior to being expended. Processes with Fund #728 will not change.

A Policy/Finance Committee meeting was held to discuss this recommendation on 05/02/23. After a thorough discussion, the Committee recommends approval of the authorization.

**FISCAL IMPACT:**

None, administrative action only.

**RESOLUTION NO. 2023-11**

**RESOLUTION OF THE GOVERNING BOARD OF DIRECTORS  
OF THE FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT  
AUTHORIZING TO CHANGE THE DISTRICTS BANKING RELATIONSHIP AND MOVE  
OPERATING TRANSACTIONS OUTSIDE OF YUBA COUNTY FUND #725 OVER TO FIVE  
STAR BANK**

**WHEREAS**, the Board of Directors has determined it to be in the best interest of the District to change its banking relationship and move operating transactions outside of Yuba County Fund #725 over to Five Star Bank.

**NOW THEREFORE, BE IT RESOLVED THAT:** the District execute and deliver to Five Star Bank a duly signed original of the completed banking resolution as is annexed thereto, and that the authority to transact business shall be as contained in said resolution with the named signatories, Christopher D. Brown, District Air Pollution Control Officer and Shelley Channel, District Administrative Services Officer therein authorized to so act on behalf of the District as specified hereto.

**BE IT FURTHER RESOLVED** that the Board of Directors of the FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT directs staff to change the Districts Banking Relationship and move operating transactions outside of Yuba County Fund #725 over to Five Star Bank.

**PASSED AND ADOPTED** by the Feather River Air Quality Management District at a meeting on June 5, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST  
CLERK OF THE DISTRICT BOARD

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Chairman

APPROVED FOR LEGAL FORM

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Nick Deal, District Legal Advisor