



## **BOARD FINANCE SUBCOMMITTEE MEETING AGENDA**

NOTE: This is an in-person meeting with no online or phone participation.

**Redwood Coast Energy Authority Office**  
**633 Third Street, Eureka, CA 95501**

**May 14, 2024**  
**Tuesday, 2 - 3 p.m.**

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In compliance with the Americans with Disabilities Act, any member of the public needing special accommodation to participate in this meeting should call (707) 269-1700 or email [LTaketa@redwoodenergy.org](mailto:LTaketa@redwoodenergy.org) as soon as possible. Advance notice enables RCEA staff to make their best effort to reasonably accommodate access to this meeting while maintaining public safety.

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Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board Finance Subcommittee, including those received less than 72 hours prior to the RCEA Board meeting, will be made available to the public at [www.RedwoodEnergy.org](http://www.RedwoodEnergy.org).

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- 1. ROLL CALL.** Committee Members: Scott Bauer, Skip Jorgensen, Sarah Schaefer, Frank Wilson. Staff: Director of Business Planning & Finance Lori Biondini; Interim Executive Director Eileen Verbeck.
  
- 2. ORAL AND WRITTEN COMMUNICATIONS.** This item is provided for the public to address the Finance Subcommittee on matters not on the agenda. At the conclusion of all public statements, the Finance Subcommittee may respond. Any request that requires Finance Subcommittee action will be set by the Subcommittee to a future agenda or referred to staff.
  
- 3. APPROVAL OF MINUTES**
  - A. Approve minutes of May 15, 2023, Board Finance Subcommittee meeting.
  
- 4. NEW BUSINESS**
  - A. Subcommittee Chair Selection  
  
Appoint an RCEA Finance Subcommittee Chair to serve a one-year term ending on the first regular Board of Directors meeting of 2025.
  
- 5. OLD BUSINESS**
  - A. Fiscal Year 2024-25 Draft Budget  
  
Provide guidance and input to staff on draft fiscal year 2024 - 2025 budget.

**6. COMMITTEE AND STAFF COMMUNICATIONS.** All communications shall be limited to RCEA business and shall not request or lead to action by the Subcommittee at this meeting.

**7. FUTURE AGENDA ITEMS.** Any request that requires Subcommittee action will be set by the Subcommittee for a future agenda or referred to staff.

**8. FUTURE MEETING DATES.**

A. May 23, 2024, RCEA Board of Directors meeting – Draft Budget Review and discussion.

B. May or June 2024, Board Finance Subcommittee meeting – Draft Budget Revision (if needed, date to be determined)

**9. ADJOURNMENT.**



## **BOARD FINANCE SUBCOMMITTEE** **DRAFT MEETING MINUTES**

**Wednesday, May 15, 2023**  
**4 p.m.**

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Notice of this meeting was posted on May 12, 2023. Deputy Executive Director Eileen Verbeck called a regular meeting of the RCEA Board Finance Subcommittee to order on the above date at 4:02 p.m. COMMITTEE MEMBERS PRESENT: Scott Bauer, Sarah Schaefer, Frank Wilson. ABSENT: Skip Jorgensen. STAFF PRESENT: Director of Business Planning & Finance Lori Biondini; Executive Director Matthew Marshall; Human Resources & Workforce Development Manager Kristy Siino; Deputy Executive Director Eileen Verbeck; Clerk of the Board Lori Taketa.

### **ORAL COMMUNICATIONS**

Deputy Executive Director Verbeck confirmed that no member of the public was in attendance and no written comment was received, then closed the public comment period.

### **APPROVAL OF MINUTES**

No member of the public commented on the draft minutes.

**M/S: Schaefer, Wilson: Approve Minutes of May 16, 2022, Board Finance Subcommittee Meeting.**

**The motion passed with a unanimous voice vote. Ayes: Bauer, Schaefer, Wilson. Noes: None. Absent: Jorgensen. Abstentions: None.**

**NEW BUSINESS – Subcommittee Chair Selection**  
No public comment was received on this agenda item.

**M/S: Wilson, Bauer: Appoint Sarah Schaefer to serve as RCEA Finance Subcommittee Chair for a one-year term ending on the first regular Board of Directors meeting of 2024.**

**The motion passed with a unanimous voice vote. Ayes: Bauer, Schaefer, Wilson. Noes: None. Absent: Jorgensen. Abstentions: None.**

**OLD BUSINESS – A. RCEA Fiscal Year 2022-2023 Q1 - Q3 Budget Report (Information only)**

Business Development and Finance Director Biondini reported that the mid-year budget adjustment brought the actual revenues and expenses closer to projected amounts. Expenses such as upcoming environmental attribute payments, the required power content label mailing, and the cost of leasing new office space will likely cause net income to fall slightly short of the projected amount at year's end. No further budget adjustments were

recommended. The group discussed the public's confusion about solar customer billing changes and RCEA charges on their electricity bill. There was no public comment on this item.

**OLD BUSINESS - B. Draft Salary and Benefit Update**

Deputy Executive Director Verbeck described proposed salary and benefit adjustment proposals based on staff input, and their budget impacts. The group discussed the impacts of remote work on RCEA's staff recruitment and retention, and benefits of adjusting salaries before they lag behind COLA increases.

The Directors recommended increasing staff salaries by 14%, adding a 401(a) employer retirement contribution plan, contributing \$4K to all staff's 457(b) retirement plans and matching employee plan contributions up to 7%, adding flat rate longevity incentives and adding Juneteenth as a paid holiday. There was no public comment on this item.

**OLD BUSINESS - C. Draft Fiscal Year 2023-2024 Budget**

Executive Director Marshall, Deputy Executive Director Verbeck and Business Planning and Finance Director Biondini presented the draft 2023-2024 fiscal year budget. Rural Regional Energy Network funds were included as revenue. Most of the funds will pass through RCEA as the statewide energy efficiency program's administrator. The draft budget expenses include make-up procurement to cover the Sandrini Solar project delays to April 2024, statewide RuralREN outreach efforts, new RCEA office building property acquisition and additional staff positions, some of which are needed for RuralREN work. The draft budget assumes RCEA maintains the 0.5% retail rate discount from PG&E rates and adds \$9.8 million toward the agency's reserve goal of \$35 million. The group reviewed the agency's path to reaching its five-year reserve goal of between \$10 and 35 million dollars, including the pandemic period dip which nearly depleted reserves and the slow recovery to just above the minimum goal amount. Since 2017, RCEA saved Humboldt County ratepayers \$6.2 million on their electricity bills. There were no public comments on this agenda item.

**OLD BUSINESS - D. Update on RCEA's Banking Account at First Republic Bank (Information only)**

Business Planning and Finance Director Biondini reported that JP Morgan Chase acquired First Republic Bank. There were no public comments on this agenda item.

**FUTURE MEETING DATES**

Deputy Executive Director Verbeck confirmed the following meeting dates:

- Introduce draft budget at Board meeting - May 25, 2023, at 3:30 p.m.
- Finance Subcommittee reviews Board-recommended budget changes - June 13, 2023, at 5 p.m. (If needed.)
- Final budget review/approval at Board meeting - June 22, 2023, at 3:30 p.m.

Chair Schaefer adjourned the meeting at 5:07 p.m.

Lori Taketa  
Clerk of the Board



# REDWOOD COAST Energy Authority

## STAFF REPORT Agenda Item # 4

AGENDA DATE:	May 14, 2024
TO:	Board Finance Subcommittee
PREPARED BY:	Lori Taketa, Clerk of the Board
SUBJECT:	Subcommittee Chair Selection

### BACKGROUND

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The RCEA Board of Directors created the standing Finance Subcommittee on January 28, 2019, “to meet as needed to work with staff and advise the Board of Directors on matters relating to audit, finance and budget.” Subcommittee members serve one-year terms ending on the first regular Board meeting of each year. Discussion prior to the subcommittee’s creation focused on the directors’ expressed desire to increase organizational transparency and Board member understanding of the agency’s finances.

Directors Scott Bauer, Skip Jorgensen, Frank Wilson, and Chair Sarah Schaefer volunteered to serve on this standing subcommittee at the Board’s January 24, 2024, meeting.

Staff recommends the subcommittee members appoint a chair to call meetings as needed.

### STAFF RECOMMENDATION

Appoint an RCEA Finance Subcommittee Chair to serve a one-year term ending on the first regular Board of Directors meeting of 2025.

### ATTACHMENT

None.

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**STAFF REPORT**  
**Agenda Item # 5**

AGENDA DATE:	May 14, 2024
TO:	Board of Directors Finance Subcommittee
PREPARED BY:	Lori Biondini, Business Development & Finance Director Eileen Verbeck, Interim Executive Director
SUBJECT:	Fiscal Year 2024-25 Preliminary Draft Budget

**SUMMARY**

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Staff will provide a presentation on the preliminary draft budget at the meeting.

**STAFF RECOMMENDATION**

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Provide guidance and input to staff on draft fiscal year 2024-2025 budget.