

MEETING NOTES
BUDGET AND FINANCE COMMITTEE MEETING
132 W. Gabilan Street, Suite #102
Salinas, California
Adopted on March 27, 2023

Monday, February 27, 2023
3:30 p.m.

All Commissioners and public participated in the meeting on Monday, February 27, 2023 by Zoom video conference.

Call to Order

The Budget and Finance Committee of the Local Agency Formation Commission of Monterey County was called to order by Chair Leffel at 3:40 p.m.

Roll Call

Members Present

Commissioner Glenn Church	*Attended by Zoom
Commissioner Ian Oglesby	*Attended by Zoom
Commissioner Mary Ann Leffel, Chair	*Attended by Zoom

Members Absent (Excused Absence)

None.

Staff and Contractors Present

Kate McKenna, AICP, Executive Officer	
Mike Briley, CPA, CliftonLarsonAllen, LLP	*Joined and attended by Zoom at 4:14 p.m.
Kelly Donlon, General Counsel	*Attended by Zoom. Left meeting at 3:52 p.m.
Jonathan Brinkmann, Senior Analyst	
Safarina Maluki, Clerk to the Commission/Office Administrator	

Public Comments

There were no Public comments on items not on the Agenda.

Special Business

1. Selection of Budget and Finance Committee Chair.
Recommended Action: Select a Committee Chair for calendar year 2023.

Committee Action:

Upon nomination and motion by Commissioner Oglesby, seconded by Commissioner Church, the Committee selected Commissioner Leffel as Chair of the Budget and Finance Committee for calendar year 2023.

Motion Carried (Roll Call Vote).

AYES: Commissioners Church, Oglesby, and Leffel.
NOES: None.
ALTERNATES: None.
ABSENT: None.
ABSTAIN: None.

Public Comments on Closed Session

There were no comments from members of the public.

The Committee Recesses for Closed Session Agenda Item

Closed Session may be held at the conclusion of the Committee’s Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Committee. The public may comment on Closed Session items prior to the Committee’s recess to Closed Session.

The Committee ADJOURNED to Closed Session at 3:42 p.m.

Closed Session

- 2. Pursuant to Government Code Section 554957.6, the Committee will confer regarding labor negotiations for the position of Executive Officer of LAFCO of Monterey County. (CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Reconvene on Public Agenda Items

The Committee RECONVENED to Open Session at 3:51 p.m.

Roll Call

Members Present

Commissioner Glenn Church
Commissioner Ian Oglesby
Commissioner Mary Ann Leffel, Chair

Read Out from Closed Session by LAFCO General Counsel

Read out by General Counsel will only occur if there is reportable action (s).

General Counsel Kelly Donlon advised that there were no reportable items.

New Business

3. Consider Preliminary Draft Annual Work Program for Fiscal Year 2023-2024.

Recommended Action: Discuss report and recommend the Commission conduct a public hearing and adopt the proposed annual work program for Fiscal Year 2023-2024, at the March 27, 2023 regular LAFCO meeting.

(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna presented the report and answered questions.

The Committee reviewed and discussed the report with the Executive Officer.

There were no comments from the public.

Committee Action:

Upon motion by Commissioner Oglesby, seconded by Commissioner Church, the Commission unanimously recommended that the Commission's approve the Annual Work Program for Fiscal Year 2023-2024.

Motion Carried (Roll Call Vote).

AYES: Commissioners Church, Oglesby, and Leffel.

NOES: None.

ALTERNATES: None.

ABSENT: None.

ABSTAIN: None.

4. Discuss the Professional Services Agreement for Accounting and Related Services.

Recommended Action: Discuss report and authorize Executive Officer to proceed with a Request for Proposals for professional accounting and related services.

(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna presented the report and answered questions from the Committee members.

There were no public comments.

The Committee discussed the report and authorized the Executive Officer to proceed with a request for proposals for accounting and related services.

5. Discuss the Professional Services Agreement for Audit Services.

Recommended Action: Discuss report and authorize Executive Officer to proceed with a Request for Proposals for professional audit services.

(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna presented the report and answered questions from the Committee members.

There were no public comments.

The Committee discussed the report and authorized the Executive Officer to proceed with a request for proposals for audit services.

6. Discuss the LAFCO Cost Allocation Formula for Special Districts in Monterey County.
Recommended Action: Discuss report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer Kate McKenna presented the report and answered questions from the Committee members.

There were no comments from the public.

The Committee discussed the report and recommended an informal review with the CEO of Soledad Community Health Care District.

7. Consider Draft Financial Statements for Period Ending December 31, 2022.
Recommended Action: Discuss report and recommend that the quarterly financial statements for the period ending December 31, 2022 be approved by the full Commission at the March 27, 2023 regular LAFCO meeting.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna and Mike Briley, CPA presented the report.

There were no comments from the Committee or the public.

The Committee recommended approval of this report.

8. Consider the January 31, 2023 Draft Balance Sheet and Income Statement.
Recommended Action: Accept the statements for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna and Mike Briley, CPA presented the report.

There were no comments from the Committee or the public.

The Committee accepted this report for information only.

9. Consider Profit/Loss Budget vs. Actual Report dated February 15, 2023.
Recommended Action: Accept report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna and Mike Briley, CPA presented the report.

There were no comments from the Committee or the public.

The Committee accepted this report for information only.

10. Consider Budget Amendment No.1 for Fiscal Year 2022-2023.
Recommended Action: Discuss report and recommend that the Commission approve a resolution to adopt Amendment No. 1 to the current (Fiscal Year 2022-23) budget, transferring a total of \$22,500 with net change to the overall budget, at the next regular LAFCO meeting on March 27, 2023.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna presented the report and answered questions from the Committee members.

There were no public comments.

Commissioner Oglesby recommended that the budget be fully funded for line items 7140 (Travel) and 7150 (Training, conferences and Workshops) to allow participation by all Commissioners at the CALAFCO annual conference, moving forward. Commissioners Church and Leffel agreed with direction to staff.

Committee Action:

Upon motion by Commissioner Oglesby, seconded by Commissioner Leffel, the Budget and Finance Committee unanimously accepted and unanimously recommended that the Commission approve a resolution to adopt Amendment No. 1 to the current (Fiscal Year 2022-23) budget, transferring a total of \$22,500 with no net change to the overall budget, at the next regular LAFCO meeting on March 27, 2023.

Motion Carried. (Roll Call Vote)

AYES: Commissioners Church, Oglesby and Leffel
NOES: None.
ALTERNATES: None.
ABSENT: None.
ABSTAIN: None.

II. Consider Preliminary Draft Annual Budget for Fiscal Year 2023-2024.

Recommended Action: Discuss report and recommend that the Commission:

1. Conduct a public hearing on March 27 to consider adoption of a proposed budget for Fiscal Year 2023-2024, and
2. Distribute the proposed budget to local agencies for review and comment prior to final adoption at a second hearing on April 24.

(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer Kate McKenna presented the report.

Commissioner Leffel made comments.

There were no comments from the public.

Upon motion by Commissioner Church, seconded by Commissioner Oglesby, the Budget and Finance Committee unanimously accepted and unanimously recommended approval of the preliminary budget, to include full funding for Commissioner attendance at the annual CALAFCO conference and recommended that the Commission:

1. Conduct a public hearing on March 27 to consider adoption of a proposed budget for Fiscal Year 2023-2024, and
2. Distribute the proposed budget to local agencies for review and comment prior to final adoption at a second hearing on April 24.

Motion Carried. (Roll Call Vote)

AYES: Commissioners Church, Oglesby and Leffel
NOES: None.
ALTERNATES: None.
ABSENT: None.
ABSTAIN: None.

12. Consider Three -Year Financial Forecast (FY 2023-2024 through FY 2025-2026).
Recommended Action: Discuss report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer Kate McKenna presented the report.

The Committee reviewed and discussed the report with the Executive Officer.

There were no comments from the public.

The Committee accepted this report for information only.

Executive Officer Announcements

None.

Adjournment

Commissioner Leffel adjourned the meeting at 5:13 p.m. The next LAFCO Budget and Finance Committee Meeting is scheduled for Monday, May 8, 2023 at 2:30 p.m.

The Political Reform Act requires that a participant in a LAFCO of Monterey County proceeding who has a financial interest in a change of organization or reorganization proposal and who has made a campaign contribution of more than \$250 to any commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission's staff before the hearing.

Pursuant to Government Code Section 54957.5, public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be made available to the public on the LAFCO of Monterey County website at www.monterey.lafco.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA): All regular and special meeting agendas and associated reports are available at www.monterey.lafco.ca.gov. Any person with a disability under the ADA may receive a copy of the agenda or associated reports upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, to participate in a public meeting. Requests for copies of meeting documents and accommodations must be made with LAFCO of Monterey County staff at (831) 754-5838 at least three business days prior to the respective meeting.