

MEETING NOTES BUDGET AND FINANCE COMMITTEE MEETING

132 W. Gabilan Street, Suite #102
Salinas, California

Approved on September 25, 2023

Monday, September 18, 2023
2:00 p.m.

The Commissioners participated in the meeting on Monday, September, 2023 in- person.

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 2:02 pm.

Roll Call

Members Present

Commissioner Glenn Church
Commissioner Mary Ann Leffel, Chair

Members Absent (Excused Absence)

Commissioner Ian Oglesby

Staff and Contractors Present

Kate McKenna, AICP, Executive Officer
Mike Briley, CPA, CGMA, Managing Principal, CliftonLarsonAllen, LLP
Jonathan Brinkmann, Senior Analyst
Safarina Maluki, Clerk to the Commission/Office Administrator

Public Comments

There were no public comments for items not on the Agenda.

New Business

1. Consider Draft Year-End Financial Statements for Fiscal Year Ending June 30, 2023.
Recommended Action: Discuss draft report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

Executive Officer McKenna and Mr. Briley presented the report.

The Committee discussed the report.

There were no comments from the public.

Committee Action:

Chair Leffel requested that the draft year-end financial statements be emailed to the Budget & Finance Committee members once the draft report is completed.

2. Consider Draft Balance Sheet as of August 31, 2023 and Draft Income Statement through August 31, 2023.

Recommended Action: Discuss draft report for information only.

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

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

The Committee discussed the report.

There were no public comments.

Committee Action:

Chair Leffel requested that the Clerk to the Commission to reach out to the Independent Special Districts and Cities and advise them of their outstanding cost allocations. Second notices will be sent out the first week of October 2023.

3. Consider Actuarial Report on Government Accounting and Financial Reporting for Post Employment Benefits Other than Pension (OPEB) Liability, as required by Statement 75 of Government Accounting Standards Board (GASB 75), for the Fiscal Year Ending June 30, 2023.

Recommended Action: Discuss report for information only.

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

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

The Committee discussed the report.

There were no comments from the public.

Committee Action:

This item was for information only.

4. Consider CalPERS Retirement Plan Actuarial Valuation Reports for Fiscal Year Ending June 30, 2023, dated July 2023.

Recommended Action: Discuss reports and recommend that the full Commission authorize the pay-off of unfunded pension liabilities at its next regular LAFCO meeting, as follows:

- a. Pay-off the Classic Miscellaneous Plan unfunded pension liability balance by October 16, 2023 in the approximate amount of \$139,857.48, from equity in the Unreserved Fund Balance; and
- b. Pay-off the PEPRA Miscellaneous Plan unfunded pension liability balance by October 16, 2023 in the approximate amount of \$12,641.43, from equity in the Unreserved Fund Balance.

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

Executive Officer McKenna and Mike Briley, CGA, Managing Principal, presented the report.

The Committee reviewed, asked questions and discussed the report.

There were no comments from the public.

Committee Actions:

The Committee recommended that the full Commission authorize the pay-off of unfunded pension liabilities at the Regular LAFCO meeting on Monday, September 25, 2023.

The Committee requested that staff provide additional actuarial clarification on future unfunded pension liability and provide an update at the Budget & Finance Committee meeting on November 8.

5. **Consider Litigation Reserve Fund Update**

Recommended Action: Discuss report for information only.

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

This is a continued discussion item from the B&F Committee meeting of May 8. Executive Officer McKenna presented the report.

The Committee discussed the report.

There were no comments from the public.

Committee Action:

The Committee will re-evaluate litigation reserve fund at the November 8 Budget & Finance Committee meeting.

Mike Briley was excused and left the meeting at 3:18 pm.

6. **Consider Accounting Services.**

Recommended Action: Receive report and discuss options for provision of accounting and related Services.

Executive Officer McKenna presented the report.

The Committee discussed the report and options and provided direct to staff.

There were no public comments.

Committee Action:

The Committee will receive an update on this topic at the Budget & Finance Committee meeting in February/March 2024.

Executive Officer Announcements

The Executive Officer may provide oral or written announcements about current LAFCO activities, for information only.

None.

Adjournment

Commissioner Leffel adjourned the meeting at 4:05 p.m. The next Budget and Finance Committee Meeting is scheduled for **Wednesday, November 8, 2023** at 2:00 PM at the LAFCO Office (132 W. Gabilan Street, Suite #102, Salinas, CA).

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