

Town of Moraga
Audit and Finance Committee

ACTION MINUTES

Monday, May 12, 2014

5:30 – 7:30 p.m.

**Hacienda de las Flores
Mosaic Conference Room**

2100 Donald Drive, Moraga, California

1. CALL TO ORDER

Bradley Ward, Town Treasurer, called the meeting to order at 5:33 p.m.

2. ROLL CALL

Committee members present: Bradley Ward (Town Treasurer), Phil Arth (Councilmember), Tim Freeman, and Robert Kennedy

Staff members present: Stephanie Hom (Administrative Services Director).

Jill Keimach (Town Manager) arrived at 5:34 p.m.

Ken Chew (Mayor) arrived at 5:45 p.m.

3. PUBLIC COMMENTS

This part of the agenda is to receive public comments on matters that are not on this agenda. Comments received will not be acted upon at this meeting and may be referred to a subcommittee for response. Comments should not exceed three minutes.

No public comment.

4. APPROVAL OF ACTION MINUTES – AFC Meeting of April 22, 2014

ACTION: It was M/S (Arth/Freeman) to approve the April 22, 2014 Audit and Finance Committee meeting minutes. Vote 4/0/0/1 (4 For/0 Against/0 Abstain/1 Absent).

5. DISCUSS FISCAL YEAR 2014-15 PROPOSED BUDGET AND FIVE-YEAR FINANCIAL PLAN

Staff presented the proposed budget document and five-year financial plan. The Committee discussed the document and provided feedback, including a request to add more information about the increased cost of Police Dispatch fees paid to Contra Costa County. The document will be updated and presented to the Town Council at its meeting of May 28, 2014.

6. DISCUSS BEST PRACTICES POLICY ON BUDGETING IN REFERENCE TO USE OF ONE-TIME, NON-RECURRING REVENUES

Councilmember Arth and staff presented a draft policy defining a structurally balanced budget as a budget that uses on-going revenues to support on-going expenditures. By definition, non-recurring revenues could not be used to support annual or recurring operational expenditures. The Committee engaged in discussion and it was agreed that an additional clause would be added stating that if non-recurring revenues were used for a non-reoccurring expense such as the purchase or construction of a building for new programs, the policy would require that the non-recurring use would only be permitted if the Town could "afford" it meaning that there had to be available on-going revenues to support the maintenance and operations of the new purchase/construction and associated programs.

ACTION: It was agreed that the discussion of this draft policy would be continued to the next meeting scheduled on July 8, 2014.

7. REQUEST TO CHANGE DECEMBER AFC MEETING DATE

Current Future Meeting Schedule:

Monday, May 12, 2014

Tuesday, July 8, 2014

Tuesday, September 30, 2014

Tuesday, December 2, 2014

(Dec 1, 3 and 4 open for auditor)

ACTION: It was agreed that the December 2, 2014 meeting would be rescheduled to Monday, December 1, 2014.

8. ADJOURN

ACTION: It was M/S (Arth/Chew) to adjourn the meeting at 8:07 p.m. Vote 5/0/0/0.