

Town of Moraga
Audit and Finance Committee

ACTION MINUTES

Tuesday, November 5, 2013
5:30 – 7:30 p.m.

**Hacienda de las Flores
Garden Conference Room**
2100 Donald Drive, Moraga, California

1. CALL TO ORDER

Bradley Ward, Town Treasurer, called the meeting to order at 5:30 p.m.

2. ROLL CALL

Committee members present: Bradley Ward (Town Treasurer), Tim Freeman, Robert Kennedy, Michael Metcalf (Councilmember), Dave Trotter (Mayor) – arrived at approximately 5:50 p.m.

Staff members present: Jill Keimach (Town Manager), Stephanie Hom (Administrative Services Director)

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 comments.

4. APPROVAL OF ACTION MINUTES – AFC Meeting of May 14, 2013

ACTION: It was M/S (Metcalf/Kennedy) to approve the action minutes for the Audit and Finance Committee meeting of May 14, 2013. Vote 4/0/0/1 (5 For/0 Against/0 Abstain/0 Absent).

5. RECEIVE INFORMATIONAL REPORT ON FISCAL YEAR 2012-13 YEAR-END UNAUDITED REVENUE AND EXPENDITURE REPORT AND DISCUSS RESOLUTION NO. 8-2012 COMMITTING SURPLUS TO THE INFRASTRUCTURE PRESERVATION AND IMPROVEMENT FUND

Hom advised the committee of a correction to the printed report. On page 2, the estimated transfer amount from the General Fund to the IPI fund should be \$111,501 (not \$274,974) and the estimated new balance of the IPI fund should be \$297,503 (not \$460,976).

The committee engaged in a discussion about the distinction between the IPI Fund (for sizable capital assets with longer life and project cost) and the Asset Replacement Fund (for assets associated with more immediate operations). The committee recommended that staff move forward in bringing to the Town Council the proposed transfer of FY 2012-13 General Fund surplus above the 50% reserve target to the IPI fund after the financial audit is completed. In addition, the AFC subcommittee working on the Asset Replacement Fund and Schedule will consider and bring to the full AFC a recommendation on its funding structure, which may include a recommended revision of the policy, and a more clear definition between the IPI Fund and Asset Replacement Fund.

ACTION: It was M/S (Trotter/Kennedy) to receive the informational report on FY 2012/13 unaudited revenue and expenditure report. Vote 5/0/0/0.

6. REVIEW AND ACCEPT 1st QUARTER (JULY 1 – SEPTEMBER 30) FISCAL YEAR 2013-14 REVENUE AND EXPENDITURE REPORT

ACTION: It was M/S (Trotter/Freeman) to receive the first quarter FY 2013-14 revenue and expenditure report. Vote 5/0/0/0.

7. RECEIVE INFORMATIONAL REPORT ON REVENUE RECEIPTS AND EXPENDITURES OF LOCAL SALES TAX FOR FY 2012-13 AND FIRST QUARTER OF FY 2013-14 PREPARED FOR LOCAL SALES TAX OVERSIGHT COMMITTEE AT ITS MEETING ON OCTOBER 30, 2013

Kennedy provided an oral report to the AFC as the AFC Liaison to the Local Sales Tax Oversight Committee.

ACTION: It was M/S (Metcalf/Trotter) to receive the informational report on Local Sales Tax for FY 2012-13 prepared for the Oversight Committee at its meeting on October 30, 2013. Vote 5/0/0/0.

8. PRESENTATION OF 2013 CERTIFICATES OF PARTICIPATION (COP) ISSUANCE AND ADMINISTRATION

No action taken.

9. ORAL REPORTS ON PROGRESS OF TREASURER'S WORK PLAN ITEMS

[This item (#a) was discussed prior to Item #6 above.]

a. Trotter provided an oral report on the status of the Vehicle Impact Study and discussions with CCSWA staff. It is expected that the Town will be receiving funding from CCSWA in the form of a vehicle impact fee sometime next year and that these funds would be used for street improvements. Currently, the cities of Lafayette and Walnut Creek have a vehicle impact fee.

[These items (#b and c)) were discussed after Item #8 above.]

b. Kennedy and Freeman reported that the Asset Replacement Subcommittee is making significant progress and is working with Public Works staff. They expect that they will report back to the full AFC in the early part of next calendar year.

c. Ward reported working with Administrative Services staff on the Statistics Section of the Town's first Comprehensive Annual Financial Report that is under preparation.

10. ADJOURN

Hom reminded the AFC that the next meeting is scheduled for Monday, December 2, 2013.

ACTION: It was M/S (Metcalf/Trotter) to adjourn the meeting. The meeting was adjourned at 7:34 p.m. Vote 5/0/0/0.