

Town of Moraga

Audit and Finance Committee

ACTION MINUTES

Tuesday, February 04, 2020
5:30 p.m.
Council Chambers
335 Rheem Boulevard
Moraga, California 94556

1. CALL TO ORDER

The meeting was called to order at 5:30 PM.

2. ROLL CALL

Committee Members Present: Tim Freeman (AFC Member), Bob Kennedy (Town Treasurer), Kymberleigh Korpus, (Mayor) and Roger Wykle (Council Member)

Staff Present: Cynthia Battenberg (Town Manager), Marty McInturf, (Town Clerk), Norman Veloso (Administrative Services Director) and William Chong (Accountant).

3. PUBLIC COMMENTS

No public comments received.

4. APPROVAL OF ACTION MINUTES – AFC Meeting of Monday, November 25, 2019

ACTION: It was M/S (Korpus/Freeman) to approve the meeting minutes.
VOTE: 4-0

5. REVIEW AND RECOMMEND FISCAL YEAR 2019/20 MID-YEAR REVENUE AND EXPENDITURE REPORT AND PROPOSED MID-YEAR ADJUSTMENTS FOR THE FISCAL YEAR 2019/20 BUDGET:

Norm Veloso, Administrative Services Director, presented the staff report and review of the Fiscal Year 2019/20 mid-year revenue and expenditures and proposed mid-year adjustments.

At mid-year there is the opportunity to assess the revenues and expenditures for the first half of the fiscal year for the purpose of identifying major variances between actual transactions and estimated budget amounts. Staff reviewed the Town's audited financial results from FY 2018/19, analyzed the current fiscal year-to-date revenue and expenditure trends, and applied its best and most prudent professional judgment to confirm the revenue and expenditure projections for the rest of the fiscal year.

A General Fund Mid-Year Budget Adjustments report was prepared that includes the FY 2019/20 Adopted Budget, Approved Budget Amendments and Proposed Mid-Year Adjustments.

Highlights of the revenue adjustments included Garbage Vehicle Impact Fees and Parks & Recreation Fees.

The Committee accepted the Fiscal Year 2019/20 Mid-Year Revenue and Expenditure Report and voted to forward the report to the Town Council for their February 12, 2020 Town Council Meeting.

ACTION: It was M/S (Freeman/Wykle)
VOTE: 4-0

The expense adjustments covered a reduction of General Government expenses due to budgeted expenses for a potential revenue measure, an increase in Police expenses due to overtime and Parks & Recreation due to irrigation breaks and failures resulting in higher than anticipated expenses and maintenance costs associated with deferred building and grounds maintenance.

Effective January 1, 2020, the State of California increased the minimum wage from \$12.00 per hour to \$13.00 per hour. This change requires the Town to amend the FY 2019/20 salary schedule to comply with the new hourly wage for classifications with pay rates that fall below \$13.00 per hour.

Staff recommended increasing the salary range for the Recreation Leader II classification by 8.33%, (the same percent increase as the 2020 adjustment to the Recreation Leader I position) from \$15.54 to \$16.83 to maintain internal equity between the classifications. This adjustment will have no impact on the Fiscal Year 2019/20 Budget as it was also factored into personnel costs.

The Committee accepted the staff recommendations and voted to forward the reports to the Town Council for their February 12, 2020 Town Council Meeting.

ACTION: It was M/S (Freeman/Wykle)
VOTE: 4-0

6. APPOINTMENT OF ONE OR TWO COMMITTEE MEMBER(S) TO SIT ON THE AUDITOR INTERVIEW SELECTION PANEL

Staff recommended appointing two Committee Members to the Auditor Interview Selection Panel. Tim Freeman and Bob Kennedy were chosen to sit on the selection panel scheduled for Thursday, February 13, 2020.

The Committee accepted the staff recommendation and voted for Tim Freeman and Bob Kennedy to be present for the selection panel interviews on Thursday, February 13, 2020.

ACTION: It was M/S (Freeman/Wykle)
VOTE: 4-0

7. ESTABLISH NEXT MEETING OF AFC

The next committee meeting was not scheduled.

8. ADJOURN

The meeting was adjourned at 6:35 PM.

ACTION: It was M/S (Kennedy/Korpus)
VOTE: 4-0