

Les Baugh
County Member

Irwin Fust
Special District Alternate



Brent Weaver
City Member

Dick Fyten
Public Member

Larry Farr
City Member

Pam Giacomini
County Member Alternate

David Kehoe
County Member

Bob Richardson
Public Member Alternate

James Yarbrough
City Member Alternate

Brenda Haynes
Special District Member

Stephen Morgan
Special District Member

Jim Underwood
Interim Executive Officer/
General Counsel

MINUTES

Regular Meeting August 6th, 2015

Redding City Council Chambers

(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)

1. CALL TO ORDER

- a. Chairman Morgan called the meeting to order at 9:00 a.m. at the City of Redding Council Chambers, 777 Cypress Avenue, Redding, California.
Present: Chairman Morgan, Vice-Chairman Farr, Commissioners Baugh, Fyten, Kehoe, Weaver, and Alternate Commissioner Richardson was in the audience.
Staff Present: Interim Executive Officer/General Counsel Jim Underwood and Manager Kathy Bull.
Absent: Commissioner Haynes, Alternate Commissioners Yarbrough, Fust, and Giacomini.
- b. Commissioner Fyten led the Pledge of Allegiance.

2. PUBLIC COMMENT

No public comment was provided.

3. ADOPTION OF AGENDA

- a. Additions/Changes to the Agenda – No changes were presented.
- b. Business/Campaign Conflict Disclosures – No conflicts were disclosed.

4. SPECIAL PRESENTATIONS

- a. There were no special presentations presented.

5. CONSENT CALENDAR

Motion to adopt the agenda was presented by Commissioner Weaver to approve consent calendar, and seconded by Commissioner Baugh with no objections.

- a. Approval of Minutes for February 19, 2015.
- b. Approval of Minutes for March 5, 2015.
- c. Approval of Minutes for April 2, 2015.
- d. Approval of Minutes for April 30, 2015.
- e. Acceptance of Shasta LAFCO Financial Reports for FY 2014/2015, which are to be posted on the website for public review.

- f. Acceptance of Shasta LAFCO Financial Reports for FY 2015/2016, which will be sent out via e-mail and posted to the Shasta LAFCO website for public viewing. The disbursements will be included in the reports. Ms. Bull verified that the budget was on track and that LAFCO is not overspending and staying within the budget guidelines. She states a few outstanding revenues have not been received and that LAFCO has received approximately \$176,000.00 in revenue.

Motion to approve Consent Calendar was presented by Commissioner Baugh, seconded by Commissioner Weaver and passed by the following votes:

- Ayes:** Baugh, Farr, Fyten, Kehoe, Morgan, and Weaver
- Noes:** None
- Abstain:** None
- Absent:** Haynes

6. CORRESPONDENCE

- a. CALAFCO – LAFCO 101: Understanding and Applying the Basics. Deadline for registration is August 21st. If any of the Commissioners are interested they can contact Ms. Bull at the Shasta LAFCO office.

7. SCHEDULED PUBLIC HEARINGS

No public hearings were scheduled.

8. NEW BUSINESS

- a. A proposed MSR/SOI update plan was presented with a review to be done in a few months at a later meeting. Mr. Underwood noted that in order to look forward and establish when funding is available, there should be a reserve. It is usually a five year cycle, but the Fiscal Committee proposed this schedule with the recommendation that it be done in a three year period. This schedule would start the MSR/SOI's in fiscal year 2017-2018 and be concluded in fiscal year 2019-2020. Mr. Underwood stated that the estimated time for a consultant to finish a small project is about 12-15 hours of time and for larger projects about five times that. The Fiscal Committee was thanked by the Commission for their outstanding work.

Motion to approve the MSR/SOI Update Plan was presented by Commissioner Baugh, seconded by Commissioner Farr and passed by the following votes:

- Ayes:** Baugh, Farr, Fyten, Kehoe, Morgan, and Weaver
- Noes:** None
- Abstain:** None
- Absent:** Haynes

- b. There was discussion regarding a PERS Liability presented to LAFCO with an option of \$251.00 a month to be paid to CALPERS.

Motion to approve the MSR/SOI Update Plan was presented by Commissioner Farr, seconded by Commissioner Fyten and passed by the following votes:

- Ayes:** Baugh, Farr, Fyten, Kehoe, Morgan, and Weaver
- Noes:** None
- Abstain:** None
- Absent:** Haynes

9. OLD BUSINESS

- a. RFP's for Audit services were sent out with Don R. Reynolds C.P.A. providing a response. Mr. Underwood explained that the last full audit was completed in fiscal year 2011-2012 and there has since been no audit. The Fiscal Committee's recommendation is for an audit scan to be performed in alternate years, with a compilation audit for fiscal year 2014-2015. Commissioner Fyten agreed that fiscal year 2012-2013 should be skipped.

Motion to approve Don R. Reynolds providing audit services was presented by Commissioner Baugh, seconded by Commissioner Farr and passed by the following votes:

Ayes: Baugh, Fyten, Kehoe, Morgan, and Weaver

Noes: Kehoe

Abstain: None

Absent: Haynes

Commissioner Kehoe explains his "No" vote on the basis that he would like to see a full audit done due to the past financial irregularities.

- b. There have been two proposal received in response to an RFP for Executive Officer Services. The Commission discussed extending the time period in order to receive additional responses.

Motion to approve recirculate the FRP for Executive Officer Services was presented by Commissioner Kehoe, seconded by Commissioner Baugh and passed by the following votes:

Ayes: Baugh, Fyten, Kehoe, Morgan, and Weaver

Noes: None

Abstain: None

Absent: Haynes

10. INTERIM EXECUTIVE OFFICER REPORT

Interim Executive Officer Underwood provided information regarding a couple of agencies making inquiries.

11. CLOSED SESSION

Pursuant to Government Code Sections 54956.9 (c), the Commission entered into closed session at 10:01 a.m.

- a. Pending litigation was discussed in regards to Shasta LAFCO vs. Amy Mickelson (Government Code Section 54956.9).
- b. Pending litigation was discussed in regards to Jan Lopez vs. Shasta LAFCO – Labor Commission Claim (Government Code Section 54956.9)
- c. Commission discussed potential litigation (Government Code Section 54956.9)
- d. The item regarding the appointment or employment of an Executive Officer was removed from the agenda.
- e. Return from closed session to open session at 10:34 a.m. Mr. Underwood reported regarding pending litigation Jan Lopez vs. Shasta LAFCO Labor Commission claim, that general counsel had been instructed to aggressively defend against said party. There were no other reportable actions.

12. COMMISSIONER ANNOUNCEMENTS

Informational only.

13. STAFF ANNOUNCEMENTS

- a. Next Regular Meeting is scheduled for October 1st at 9:00 a.m., located at the Shasta County Board of Supervisors Chambers.

14. ADJOURNMENT OF MEETING

There being no further business, Chairman Morgan adjourned the meeting at 10:34 a.m.

ATTEST:

APPROVED:

Kathy Bull
Acting Clerk to the Commission

Stephen Morgan
Chairman

DATE: _____

DATE: _____