

Local Government Advisory Committee on Financial Reporting

Minutes of Thursday, June 9, 2022 Teleconference

The Local Government Advisory Committee on Financial Reporting (Committee) officially approved the following minutes at the subsequent public committee meeting held on Thursday, May 25, 2023.

I. Call to Order/Roll Call 1:31 pm – 1:32 pm

Chair Sisk called the meeting of the Local Government Advisory Committee on Financial Reporting (Committee) to order at 1:31 pm and proceeded to conduct roll call of those in attendance as displayed below:

Committee Members present:

Andrew C. Sisk (Committee Chair), Andrea Miller, Dennis W. Kauffman, Elena S. Adair, Paula Hansen, and Tracy Drager

Committee Members absent:

Ben Lamera (excused absence)

State Controller's Office (SCO) Staff present:

Sandeep Singh, Jenny Liu, Gene Hughes, Jason Narayan, Henry Mathews, Daniel Basso, and Sheirlyn Singh

II. Review of Minutes from December 7, 2021 1:32 pm – 1:33 pm

A. Discussion 1:32 pm – 1:32 pm

Chair Sisk asked Committee members if they had any questions or comments concerning the meeting minutes from December 7, 2021. No comments or questions were presented.

B. Motion and Vote to Approve Meeting Minutes from December 7, 2021 1:32 pm – 1:33 pm

Chair Sisk asked whether a Committee member would make a motion to approve the meeting minutes from December 7, 2021. Ms. Drager made a motion to approve the meeting minutes. Ms. Hansen seconded the motion. Ms. Adair joined the meeting at approximately 1:35pm and thus was not able to participate in the voting process. **The motion passed unanimously 5-0.**

III. Summary of Proposed Changes to *Special District Uniform Accounting and Reporting Procedures (SPD) Manual* 1:33 pm – 1:38 pm

A. List of Substantive Changes

Ms. Liu provided a high-level overview of the changes listed in the *Summary of Substantive Changes* document, which was provided to the Committee prior to the meeting to assist in their review of the 2022 edition of the SPD manual.

Ms. Drager asked if the Committee members can receive a redline version of the SPD Manual for review in the future to make it easier for the Committee members to identify the proposed changes. Ms. Liu replied that SCO is planning to provide a redline version for review of the 2023 edition of the SPD manual in addition to a list of substantive changes.

Ms. Liu also added that SCO tentatively plans to publish the 2023 edition of the SPD manual in either March or April 2023.

IV. Approval of Proposed Changes to the SPD Manual 1:38 pm – 1:39 pm

A. Discussion 1:38 pm – 1:38 pm

Chair Sisk asked Committee members if they had any questions or comments concerning the proposed changes to the 2022 edition of the of the SPD manual. No comments or questions were presented.

B. Motion and Vote to Approve Proposed Changes to the SPD Manual 1:38 pm – 1:39 pm

Chair Sisk asked if any Committee member would like to make a motion to approve the proposed changes to the 2022 edition of the SPD manual. Mr. Kauffman made a motion to approve the proposed changes to the 2022 edition of the SPD manual. Ms. Adair seconded the motion. **The motion passed unanimously 6-0.**

V. Bagley-Keene Open Meeting Act 1:39 pm – 1:40 pm

A. Discussion 1:39 pm – 1:40 pm

Ms. Liu informed the Committee members that the SCO legal team informed the Local Government Policy Unit (LGPU) that all SCO advisory committees should follow the Bagley-Keene Open Meeting Act (Act). Ms. Liu recommended that the Committee members review the Act for additional information. Ms. Liu added that SCO is still reviewing the specific provisions of the Act that would be applicable to the Committee. Once SCO has completed a review of the applicable provisions, the relevant information will be emailed to all Committee members.

Ms. Liu asked the Committee members if they had any questions or comments concerning the Act. Chair Sisk made a comment that he is familiar with the Act. No other comments or questions were presented.

B. Application of Bagley-Keene provisions for future meetings 1:40 pm – 1:40 pm

Ms. Liu informed the Committee that the next meeting would follow the Bagley-Keene Open Meeting Act.

VI. New Business 1:40 pm – 1:48 pm

Chair Sisk shared with the Committee members that the Placer County Treasurer was inquiring as to whether special districts have the option to keep their funds within their nominated bank accounts or within the Placer County Treasury.

Chair Sisk stated that chapter one of the SPD manual was a great resource when conducting his research. He stated that his research showed that most special districts are required by government code to keep their funds within the county treasury. However, he also added that there are situations where the government code does allow for special districts to keep their funds outside the county treasury.

Chair Sisk requested that for future editions of the SPD manual that SCO include a section providing code sections/guidance as to whether special districts have the option as to whether they have to maintain their funds within the county treasury or not. Mr. Singh added that SCO will research this subject matter and is open to the idea of adding a summary of the topic to the SPD manual.

Ms. Adair and Chair Sisk had a brief discussion as to whether it should be made compulsory for special districts to place all their funds within the county treasury. Both Ms. Adair and Chair Sisk agreed that they should follow the applicable government code sections in this matter.

Ms. Hansen also concurred with the suggestion of providing guidance in the SPD concerning special district funds. She further added that the question of whether special districts are required to keep their funds within the county treasury is a recurring one.

VII. Plan for Next Meeting

1:48 pm – 1:52 pm

The next meeting is tentatively scheduled to be held early next year.

VIII. Adjournment

1:52 pm

Chair Sisk adjourned the meeting at 1:52 pm.