

Local Government Advisory Committee on Financial Reporting

Minutes of Thursday, May 25, 2023

The Local Government Advisory Committee on Financial Reporting (Committee) officially approved the following minutes at the subsequent public Committee meeting held on Monday, September 18, 2023.

I. Call to Order/Roll Call

Chair Sisk called the meeting to order at 1:31 p.m. and conducted a roll call of those in attendance as displayed below:

Committee Members present:

Paula Hansen

Committee Members present via Teleconference:

Andrew C. Sisk (Chair), Andrea Miller, and Tracy Drager

Excused Absences:

Dennis W. Kauffman and Elena S. Adair

State Controller's Office (SCO) Staff present:

Sandeep Singh, Jia Liu, Gene Hughes, Jason Narayan, Daniel Basso, and Luis Gonzalez

Members of the Public present:

Nolda Short

II. Review of Minutes from June 9, 2022

A. Discussion

Chair Sisk asked Committee members if they had any questions or comments concerning the meeting minutes from June 9, 2022, prior to them being considered for approval. There were no comments or questions from the Committee or the public.

B. Motion and Vote to Approve

Chair Sisk asked a Committee member to make a motion to approve the meeting minutes from June 9, 2022. Ms. Miller made a motion to approve the meeting minutes. Ms. Hansen seconded the motion.

The motion passed unanimously 4-0 on a roll call vote.

III. Summary of Proposed Changes to *Special District Uniform Accounting and Reporting Procedures (SPD) Manual – 2023 Edition*

A. List of Substantive Changes

Ms. Liu provided a high-level overview of the changes listed in the SPD *Summary of Substantive Changes* document, which was provided to the Committee prior to the meeting to assist in their review of the 2023 edition of the SPD manual.

B. SPD Manual — 2023 Edition

There were no comments or questions raised under this agenda item.

IV. Public Comment

There were no comments or questions from the public.

V. Approval of Proposed Changes to SPD Manual – 2023 Edition

A. Discussion

Chair Sisk asked Committee members if they had any questions or comments concerning the proposed changes to the 2023 edition of the of the SPD manual. Ms. Drager suggested that SCO add some clarity as to when guidance pertaining to a new GASB Statement should be implemented by special districts. Ms. Liu stated that SCO would add language to future editions of the SPD manual concerning early implementation of new GASB Statements.

Chair Sisk inquired as to whether Joint Powers Authorities (JPAs) are required to follow the guidance and provisions in the SPD manual. Mr. Singh stated that the Local Government Policy Unit (LGPU) would research this question and also liaise with another section within SCO that works with JPAs to answer this question.

B. Motion and Vote to Approve Proposed Changes to SPD Manual – 2023 Edition

Chair Sisk asked if any Committee member would like to make a motion to approve the proposed changes to the 2023 edition of the SPD manual. Ms. Hansen made a motion to approve the proposed changes to the 2023 edition of the SPD manual. Ms. Miller seconded the motion. There were no questions or comments from the public.

The motion passed unanimously 4-0 on a roll call vote.

VI. Other Discussion Items/New Business

Chair Sisk inquired as to what mechanism SCO has in dealing with special districts that do not prepare their financial transactions reports (FTRs) and audit reports based on generally accepted accounting principles. Mr. Singh stated that LGPU would liaise with the section within SCO that oversees FTRs to answer this question. Ms. Drager also stated that she is having similar issues with small special districts within her county not being able to meet their audit compliance requirements.

VII. Plan for Next Meeting

Chair Sisk inquired as to when SCO plans to hold the next committee meeting. Mr. Singh stated that SCO would research the questions raised in this meeting and share the findings with the Committee. A meeting will be scheduled if the Committee feels the need to discuss the information provided by SCO.

Chair Sisk inquired as to whether the Committee or SCO is responsible for appointing Ms. Short to the Committee. Mr. Singh stated that it is the Controller's statutory responsibility to appoint members to the Committee. In addition, he stated that Ms. Short's appointment to the Committee is currently in progress.

VIII. Adjournment

Chair Sisk moved to adjourn the meeting at 1:56 p.m., all in favor with zero opposing to adjourn.