

YOLO COUNTY FINANCIAL OVERSIGHT COMMITTEE

MINUTES OF MEETING September 14, 2023

Members present: Angel Barajas, Chair (Supervisor), Larry Raber, Vice-Chair (Public Member), Richard Horan (Public Member), and Kristin Sicke (Special District).

Others present: Gerardo Pinedo (CAO), Tom Haynes (Interim CFO), Sou Xiong (Treasury), Holly Alves (Accounting), Allison Kaune (PFM), James Butera (LSL), Kim Eldredge and Noemy Mora-Beltran (Internal Audit).

Moderator: Debra Nichols

Recorded by Debra Nichols

1) **Welcome**

2) **Call to Order.** Angel Barajas called the meeting to order at 10:00 a.m. with members Larry Raber, Richard Horan, and Kristin Sicke in attendance. Quorum was formed. Veronica Moreno and Kimberly McKinney were absent. A moment of silence was observed for the passing of Supervisor Gary Sandy.

3) **Approval of Agenda.**

Agenda reviewed and approved.

MOVED BY: Kristin Sicke / SECONDED BY: Richard Horan

AYES: 4

NOES: 0

ABSTAIN: 0

ABSENT: 2

4) **Follow-up of items from prior meeting.** Audit Accountability. Tom Haynes gave a brief update regarding the Memorandum by the Audit Subcommittee to the Department Directors emphasizing the importance of resolving audit recommendations. Some discussion was held during the prior FOC meeting and was brought back to allow further discussion. Gerardo Pinedo mentioned that the topic was not brought up to the Department Leadership meeting. A copy of the Memorandum will be sent to all FOC committee members.

5) **Public Comment.** There were no public comments.

Consent Agenda

6) **Approval of the prior meeting minutes 6/15/2023.**

7) **Receive Treasury audit report for quarter ended 3/31/2023.**

Consent agenda approved for items 6 and 7
MOVED BY: Richard Horan / SECONDED BY: Kristin Sicke
AYES: 4
NOES: 0
ABSTAIN: 0
ABSENT: 2

Regular Agenda

- 8) **Receive staff report on the status of current engagements and the release of audit reports since last meeting from the Division of Internal Audit (Eldredge).** Kim Eldredge announced her retirement in December and provided an update on the current staffing vacancy in the Internal Audit Division. Gerardo Pinedo and Tom Haynes discussed that the current recruitment for the Audit Manager's position has been unsuccessful with only two applicants. Gerardo mentioned that the County Administrator's Office will be taking the lead on the recruitment and will follow a brochure approach similar to the recruitments for the department heads.

Kim also provided a status of current audit engagements and reports completed since last meeting: Capital Project and Purchase Card audits waiting on management responses; IT Governance & Strategy audit carried forward to FY23-24.

- 9) **Review staff report on the status of interim audit work for Annual Comprehensive Financial Report (ACFR) 6/30/2023 from Independent Auditors (LSL/Alves).** James Butera (Audit Manager with LSL) gave a brief statement on the planning stages for the end of the fiscal year which should be completed by November 13th, 2023. Interim work was completed in the Summer of 2023. GASB 96 had a big overhaul this year and resulted in more work regarding the IT accounting audit. Single Audit will be submitted by the deadline of March 2024.
- 10) **Receive staff report on status of the 2023-24 budget development process (Liddicoet/Haynes).** Tom Haynes reported on behalf of the Chief Budget Officer, Laura Liddicoet, that the department was currently in its final stages of completing the 2023-24 adopted budget for approval by the Board on September 26, 2024. A retrospective review and variant analysis of the prior 3-5 year will be completed at the next meeting on November 15, 2023, looking for trends in different departments having material variances between approved budgets and actual spending.
- 11) **Receive report on the Treasury Pool Investment Activity for the 2nd Calendar Quarter ending June 30, 2023 (PFM/Xiong).** Allison Kaune (PFM) provided an economic update and overview of the investment portfolio performance for the 2nd Calendar Quarter through 6/30/2023.
- 12) **Confirm next meeting date.** November 15, 2023, at 10:00 to 11:30 a.m.
- 13) **Committee Member and Staff Announcements.** Richard Horan asked for an update on the hiring of a new Chief Financial Officer. CAO Gerardo Pinedo confirmed that the Board of Supervisors is still in the interviewing process. There was a discussion on the FOC involvement in the hiring process. Gerardo will review the FOC Charter and a follow up will be discussed at the next meeting.
- 14) **Adjournment.** Meeting Adjourned at 10:53 a.m.