

DRAFT



FINANCE COMMITTEE

April 24, 2017

9:00 A.M.

651 Pine Street, Room 101, Martinez

Supervisor Karen Mitchoff, Chair

Supervisor John Gioia, Vice Chair

Agenda Items:

Items may be taken out of order based on the business of the day and preference of the Committee

Present: Chair Karen Mitchoff; Vice Chair John Gioia

Staff: Lisa Driscoll, Finance Director; Timothy Ewell, Senior Deputy County Administrator; Robert

Present: Campbell, Auditor-Controller; Joanne Bohren, Internal Audit; Eryl Karr, Internal Audit; Jennifer Posedel, EHSD; Mary Jane Robb, Sheriff's Department; Annie O, District IV Chief of Staff; Bud DeCesare, Health Services Department; Faye Ny, Health Services Department

Attendees: Ali Saidi, CCC Defenders Association; John Montagh, City of Concord

1. Introductions
2. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to three minutes).

Ali Saidi from the Contra Costa County Defenders Association spoke in support of a draft proposal for a County immigrants' rights program. Mr. Saidi reported that the item was presented to the Board during the Budget Hearings. He said the proposal was rushed and not yet fully developed. Supervisor Mitchoff pointed out that any money that was directed to this program may come from another source. Supervisor Gioia commented that it was likely that a request for proposals may need to be issued to secure a community based organization to provide services for a new program. Supervisor Mitchoff asked Mr. Saidi to finalize a proposal and present it to staff for the next Finance Committee meeting's agenda.

AYE: Chair Karen Mitchoff, Vice Chair John Gioia

Passed

3. Staff recommends approval of the Record of Action for the March 27, 2017 meeting.

The Record of Action for the March 27, 2017 meeting was approved as recommended.

AYE: Chair Karen Mitchoff, Vice Chair John Gioia

Passed

4. Accept attached report regarding the Countywide Single Audit for the Fiscal Year Ending June 30, 2016 (also attached).

Lisa Driscoll presented the Countywide Single Audit for the Fiscal Year Ending June 30, 2016. Mrs. Driscoll reminded the Committee that Board policy required the County Administrator to make an annual report to the Finance Committee on the current- and prior-year audit findings and recommendations that identifies what corrective action has been taken or is planned to be taken on each recommendation. Mrs. Driscoll reported that the 2016 report identified one instance of significant deficiency in internal controls; no instance of material weakness in internal control; and two instances of noncompliance in internal control over compliance. The noted instance in control was for the 'Schedule of Expenditures of Federal Awards Completeness', which was noted in the 2015 audit also. The Committee questioned staff regarding corrective actions. Departmental staff were asked to identify the specific actions that had been taken to correct the deficiencies. Staff provided more detail than is normally included in the formal annual report. Supervisor Mitchoff directed departmental staff to send a memo for each finding to be included with these minutes (attached). With these additional controls in place, the County is hopeful that the potential for error has been rectified. Ultimately, the accuracy of the report is dependent upon departments properly identifying and categorizing their expenditures; therefore, targeted training is the logical solution and is expected to rectify the problem.

AYE: Chair Karen Mitchoff, Vice Chair John Gioia

Passed

5.
 1. RECOMMEND a draft policy for the review of Compensation Agreements submitted to the County, including all entities governed by the Board of Supervisors, by Successor Agencies to former Redevelopment Agencies throughout the County and FORWARD to the Board of Supervisors for final consideration; and,
 2. PROVIDE additional direction to staff as necessary.

Tim Ewell presented a presentation regarding the establishment of a policy for review of Redevelopment Successor Agency compensation agreements. The presentation included a history and the 'spirit' of RDA dissolution. Mr. Ewell completed his presentation by providing three potential policy options to the Committee with the goal of maintaining as much flexibility as possible. Mr. Ewell pointed out that the Successor Agencies had already transferred the properties. The Committee asked which agencies had submitted compensation agreements to the County and asked which potential policy option each preferred. Mr. Ewell answered that we had inquiries from Richmond, Oakley, and Concord (Pinole's agreement was approved some time ago) and that all three had requested a version of option #3. Option #3 would have the County defer payment of current gross market value until a City enters into sale agreement with a developer or other private party. Mr. Montag from the City of Concord explained that the cities preferred Option #3 due to lack of cash-flow. The Committee discussed each option including a variation of option #3. At the conclusion of the discussion, the Committee directed staff to forward to the full-Board the recommendation of a policy that would have the County defer payment until a City enters into a sale agreement with a developer or other private party (with a maximum delay of five years). If the maximum time period of five years is invoked, the City will pay the higher of either the value as of 2011 pursuant to H&S § 34180(f) or current fair market value.

AYE: Chair Karen Mitchoff, Vice Chair John Gioia
Passed

6. The next meeting is currently scheduled for May 22, 2017.

This meeting date will either be rescheduled or canceled.

7. Adjourn

The Finance Committee will provide reasonable accommodations for persons with disabilities planning to attend Finance Committee meetings. Contact the staff person listed below at least 72 hours before the meeting.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of the Finance Committee less than 96 hours prior to that meeting are available for public inspection at 651 Pine Street, 10th floor, during normal business hours.

Public comment may be submitted via electronic mail on agenda items at least one full work day prior to the published meeting time.

For Additional Information Contact:

Lisa Driscoll, Committee Staff
Phone (925) 335-1021, Fax (925) 646-1353
lisa.driscoll@cao.cccounty.us