



2.a.
3/23/2023

MINUTES
February 23, 2023

Present: Michael Vargas, Chair
Commissioners: Steve Sanchez
Kevin Jeffries
Via Teleconference: Stephen Tomanelli, Vice-Chair
Steven Pastor, Alternate
Absent: Yxstian Gutierrez

Present Staff: Gary Thompson, Executive Officer
Elizabeth Valdez, Commission Clerk
Melissa Cushman, Legal Counsel
Via Teleconference: Crystal Craig, Assistant Executive Officer

1. CALL TO ORDER AND SALUTE TO THE FLAG.

Chair Vargas called the meeting to order at approximately 8:30 a.m.

Due to technical difficulties the Commission recessed at 8:32 a.m. and reconvened at 8:41 a.m.

1.2. ROLL CALL.

1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

Counsel Cushman made a statement to the public regarding disclosure of contributions made to Commissioners.

2. APPROVAL OF THE MINUTES:

a. January 23, 2023

Moved (Tomanelli) seconded (Sanchez) to approve the Minutes of the January 23, 2023, meeting.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

3. PUBLIC COMMENTS ON ANY ITEMS NOT ON THE AGENDA.

Gregory O'Conner, resident of Eastern Municipal Water District. Mr. O'Conner spoke against the expansion of the Eastern Municipal Water District's sphere of influence to include Fallbrook Public Utility District. He requested more oversight of the district.

4. CONSENT CALENDAR (NON-HEARING ITEMS):**a. LAFCO Monthly Expenditure Review.**

Moved (Jeffries) seconded (Sanchez) to approve the LAFCO Monthly Expenditure Review as recommended by staff.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

b. Adoption of Revised LAFCO Investment Policy.

Moved (Jeffries) seconded (Sanchez) to adopt the Revised LAFCO Investment Policy as recommended by staff.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

5. PUBLIC HEARINGS:

Continued: There were no continued public hearing items.

New: There were no new public hearing items.

6. OTHER BUSINESS:**a. Independent Auditor's Report for Fiscal Year 2021-22.**

Mr. Thompson stated there were no issues with the audit this year. He stated that per GASB 87 lease payments will be documented as a long term liability changing the net position from positive to negative. He then introduced the independent auditor, Shannon Ayala from Davis Farr.

Ms. Ayala gave a PowerPoint presentation. She stated they issued an unmodified opinion which is the highest level of opinion received. She stated that the audit focused on internal controls, Pension and OPEB obligations, and GASB 87-leases. Ms. Ayala reviewed the financial statement highlights.

Moved (Pastor) seconded (Jeffries) to receive and file the Independent Auditor's Report for Fiscal Year 2021-22 as recommended by staff.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

b. Fiscal Year 2022-23 Mid-Year Budget Review.

Mr. Thompson stated that the Administrative Review Committee reviewed the Mid-year Budget. He stated projected year-end will come in under budget in both revenue and expenditures due to receiving only half of the State grant this fiscal year for the Imperial Irrigation Study project although the full amount was budgeted. Mr. Thompson stated the balance will be carried over into next year's budget when the study is set to be completed. He reviewed the status of revenues, expenditures, salaries, and reserve funds.

This was a receive and file item. No action was taken by the Commission.

c. Discussion/Approval Regarding Commission Meeting Time.

Mr. Thompson stated this was requested by the Commission at the last meeting.

After some discussion amongst the Commission, they decided to change the start time for all future meetings to 9:00 a.m.

Moved (Jeffries) seconded (Vargas) to change the Commission Meeting start time to 9:00 a.m.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

d. Future Meetings - AB 2449 Hybrid Option.

Mr. Thompson presented this item. He stated that AB 361 will expire when the Governor lifts the emergency declaration. He stated the options for future meetings which include following all Brown Act requirements or allowing a commissioner to attend virtually per AB 2449 under modified Brown Act requirements.

After discussion amongst the Commission and clarification from Counsel the Commission decided to utilize AB 2449 for future meetings. It was agreed by the Commission that it would be up to the individual commissioner to decide if they will use this option but it would now be available.

Moved (Jeffries) seconded (Sanchez) to adopt the option to proceed under AB 2449 for future meetings.

Chair Vargas called for the vote.

AYES: Vargas, Tomanelli, Sanchez, Jeffries, and Pastor.

NOES: None.

ABSENT: Gutierrez.

ABSTAINED: None.

7. **INFORMATION ITEMS:** No action to be taken by the Commission.

a. Proposals Received and/or LAFCO Initiated (Government Code Sections 56751 and 56857):

- i. LAFCO 2023-01-1,2,3,4&5-Countywide Municipal Service Review and Sphere of Influence Reviews and Potential Updates - Independent Recreation & Park Districts: Beaumont-Cherry Valley Recreation and Pak District, Desert Recreation District, Jurupa Area Recreations and Park District, and Valley-Wide Recreation and Park District.

Mr. Thompson gave a status on this proposal. He stated the Public Review Draft would be distributed today for comment and posted on the commission website.

b. Report on Conducting Authority Proceedings.

Mr. Thompson gave an update on the conducting authority proceedings.

8. **LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.**

Mr. Thompson gave an update on pending legislation. He stated that the Omnibus bill had two items and was moving forward. He stated CALAFCO Legislative Committee is looking for an author for the
RIVERSIDE LOCAL AGENCY FORMATION COMMISSION

indemnification issue. He stated that CALAFCO is tracking 16 bills.

9. EXECUTIVE OFFICER REPORTS.

Mr. Thompson gave an update on the Special District Selection Committee election, and the Recreation and Park District MSR. He stated he would be in Sacramento for the CALAFCO Legislative Meeting and then on vacation the following week.

10. COMMISSIONER COMMENTS/FUTURE ITEMS.

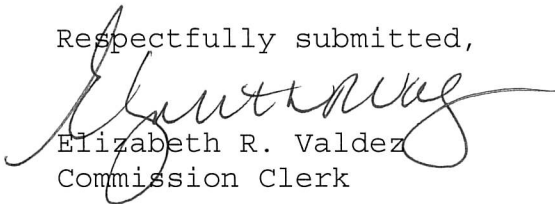
Chair Vargas requested to add a discussion regarding the commission stipend to the next agenda.

Chair Vargas closed the meeting in honor of Commissioner Ted Hoffman, City of Norco who passed away on February 22nd.

11. ADJOURNMENT.

The Commission adjourned the meeting at approximately 9:15 a.m.

Respectfully submitted,



Elizabeth R. Valdez
Commission Clerk