

Les Baugh
County Member

Pamelyn Morgan
City Member

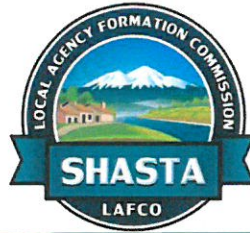
Stan Neutze
City Member Alternate

Mark Mezzano
City Member

Irwin Fust
Special District Member

Mary Rickert
County Member Alternate

Brenda Haynes
Special District Member



Larry Russell
Public Member

Joe Chimenti
County Member

Fred Ryness
Special District Alternate

Katharine Ann Campbell
Public Member Alternate

George Williamson
Executive Officer

James M. Underwood
General Counsel

Kathy Bull
Manager

MINUTES

Regular Commission Meeting December 2, 2021 Shasta County Board of Supervisors Chambers 1450 Court Street, Redding, California

(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)

1. CALL TO ORDER

a. Chairman Fust called the meeting to order at 9:00 a.m. in-person at Shasta County Board of Supervisors Chambers.

Present: Chairman Fust, Vice-Chairman Chimenti, Commissioners Baugh, Haynes, Mezzano, Morgan, Russell (arrived 9:10 a.m.). Alternative Commissioners Neutze and Campbell were in the audience.

Staff Present: Executive Officer George Williamson, Office Manager Kathy Bull and General Counsel Jim Underwood.

Absent: Alternative Commissioner Rickert and Ryness.

b. Les Baugh led the pledge of Allegiance.

2. PUBLIC COMMENT

No public comments were provided.

3. AGENDA ADOPTION

a. Agenda Additions/Changes
No changes were provided

Motion to approve agenda adoption was presented by Commissioner Chimenti, seconded by Commissioner Mezzano and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan

Noes: None

Abstain: None

Absent: Russell

b. Business/Campaign Conflict Disclosures

No conflicts were provided.

4. SPECIAL PRESENTATIONS

No presentations were provided.

5. CONSENT CALENDAR

- a. Minutes from October 7, 2021 Commission Meeting
- b. Fiscal Information – September and October 2021; bank statements, reconciliations, and disbursements
- c. Revenue Statement as of November 15, 2021

Motion to approve consent calendar Agenda Item 5.a. was presented by Commissioner Baugh, seconded by Commissioner Chimenti and passed by the following votes:

Ayes: Baugh, Chimenti, Haynes, Mezzano, Morgan.

Noes: None

Abstain: Fust

Absent: Russell

Motion to approve consent calendar Agenda Items 5.b. and 5.c. was presented by Commissioner Baugh, seconded by Commissioner Haynes and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan.

Noes: None

Abstain: None

Absent: Russell

6. CORRESPONDENCE

No correspondence was provided.

7. SCHEDULED PUBLIC HEARINGS

- a. Continued Western Shasta Resource Conservation District Municipal Services Review & Sphere of Influence Report Update

Mr. Williamson provided a written staff report along with a letter from the District Manager at Western Shasta RCD. There had been concerns regarding the financial status of the district and provided the Commission prior to the meeting with two updated audits with a change of opinion. The earlier opinion stated there was a going concern with the districts ability to move forward, while the current audit states ".....the District's ability to continue as a going concern and the conditions causing the substantial doubt of the District's ability to continue as a going concern, as originally reported in the Single Audit Report, have been removed and there is no longer substantial doubt" which has been documented in the SOI/MSR report. Staff is recommending the district boundary stay as is with the potential for expanding boundary in the future.

Maureen Teubert, Western Shasta CSD District Manager provided she has helped the district with financial mismanagement by changing policies. Commission Baugh had questions regarding cost of overhead with grants. Ms. Teubert explained a portion of work provided by the district is federal work and funded by the federal government which varies annually. The district also receives grants from other avenues.

There was a question regarding paying past debt of a bank note. Charles Pillon, CPA for the district explained the bank note was a line of credit that went into default. It is the auditor's opinion that the debt is considered a long-term debt. Ms. Teubert will be contacting the bank to determine if debt is written off or needs to be paid and will provide information to the district's board to approve payment of any outstanding monies. Commissioner Haynes suggested verbiage in the resolution regarding said debt.

Chair Fust opened the public hearing. Stan Neutze, Alternate Shasta LAFCO Commissioner was concerned about the debt being written off without acknowledgment from the bank and shared concern with a one million difference in the finances. Chair Fust closed the public hearing.

Chair Fust asked General Counsel Jim Underwood if LAFCO was able to move on this project. Mr. Underwood responded the Commission has discretion to proceed if the Commission is satisfied with the presentations from the district that the district is financially viable. The Commission can also ask for more information and clarity. Commissioner Baugh requested verbiage to add to the resolution which includes a note regarding the debt.

Mr. Underwood stated an additional paragraph added to the proposed resolution could read "Whereas, Western Shasta RCD has represented to the Commission with reference to the Tri-Counties bank debt has no impact on the district's financial liabilities. Mr. Williamson provided a correction to the resolution adding "continued to December 2, 2021.

Motion to approve the MSR/SOI with a change to Resolution 2021-02 provided by Mr. Underwood and Mr. Williamson was presented by Commissioner Baugh, seconded by Commissioner Haynes and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan, Russell.

Noes: None

Abstain: None

Absent: None

8. NEW BUSINESS

a. Regular Commission Meeting Schedule for 2022

There was a correction to one of the dates.

Motion to approve Commission meeting schedule for 2022 was presented by Commissioner Haynes, seconded by Commissioner Morgan and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan, Russell.

Noes: None

Abstain: None

Absent: None

9. OLD BUSINESS

a. Planwest Partners Invoices, George Williamson for September and October 2021

Motion to approve the Planwest Partners invoices was presented by Commissioner Baugh, seconded by Commissioner Chimenti and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan, Russell, Ryness.

Noes: None

Abstain: None

Absent: None

b. 1st Quarter Financial Budget Reports for Fiscal Year 2021/2022 – Budget vs Actual, Financial Statement, Balance Sheet

Ms. Bull mentioned the report looks as if it is overbudget due to the large CalPERS payment and budget will normalize further into the fiscal year.

Motion to approve 1st Quarter Financial Budget Reports for Fiscal Year 2021/2022 was presented by Commissioner Haynes, seconded by Commissioner Russell and passed by the following votes:

Ayes: Baugh, Chimenti, Fust, Haynes, Mezzano, Morgan, Russell.

Noes: None

Abstain: None

Absent: None

10. EXECUTIVE OFFICER REPORT

a. Application Status and Deposits

Mr. Williamson shared the Fall River/McArthur Fire Protection District Annexation have engaged legal counsel and are pursuing revenue sources and await information on proposed revenue. Staff has also received a preliminary application filing from Shasta CSD to divest fire services into CSA #1.

b. MSR & SOI Update status

Centerville CSD and Mountain Gate CSD have provided updated information to complete MSR/SOI which will probably be provided at the February meeting.

c. Change to Local Bank Update

There were recent challenges banking with U.S. Bank which appear to have been solved. After checking with the Executive Committee, no change in banking is needed at this time which saves cost of changing banks.

11. CLOSED SESSION

No closed session was scheduled.

12. COMMISSIONER ANNOUNCEMENTS

Commissioner Morgan attended a zoom meeting regarding The New Era State of the State – In terms of extreme weather, water, fire issues in terms what it means to LAFCO's. Commissioner Baugh thanked staff for their service which was echoed by other Commissioner's.

13. STAFF ANNOUNCEMENTS

a. Next Regular Meeting is scheduled for Thursday, February 3, 2022 at 9:00 a.m. Location to be announced.

14. ADJOURNMENT

There being no further business, Chairman Fust adjourned the meeting at 10:11 a.m.

ATTEST:

APPROVED:

Kathy Bull
Kathy Bull
Acting Clerk to the Commission

Irwin Fust
Irwin Fust
Chairman

DATE: 3/9/2022

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