



SCLC Audit and Finance Committee Meeting
Wednesday, August 2, 2023
3:00pm

Meeting Locations:
Alhambra Library 101 S. First St., Alhambra, CA 91801
Calabasas Library, 200 Civic Center Way, Calabasas, CA 91302
Santa Monica Main Library 601 Santa Monica, Blvd., Santa Monica, CA 90401
Ventura County Library 5600 Everglades St., Suite A, Ventura, CA 93003

Minutes

Approved September 27, 2023

Attendance

LohGuan, Hilda – Alhambra
Lockwood, Barbara - Calabasas
Schram, Nancy – Ventura

Other

Beck, Andy – SCLC
Cuyugan, Erica – Long Beach
Graver, Lori – SCLC
Powers, Christine – SCLC
Walker, Wayne - SCLC

1. Opening Hilda LohGuan
Meeting called to order at 3:02pm.

2. Public Forum Hilda LohGuan
None.

3. Consent Calendar Hilda LohGuan
All items on the consent calendar may be approved by a single motion. Any committee member may request an item be removed from the consent calendar and placed on the agenda for discussion.
 - a. Minutes of the April 5, 2023 Audit and Finance Committee meeting.
MSP (Lockwood/Schram) to pass the Consent Calendar as presented, without changes.
3 yes, 0 no, 0 abstain

4. Adoption of Agenda Hilda LohGuan
Chair adopted Agenda, without objection.
5. Budget Status Report FY2022/23 Andy Beck
The Budget Status Report for Fiscal Year 2022/23 was attached for review and reflects reconciled bank statements through June 30, 2023. The majority of expenses were received and any expected expenses for the month of June have been estimated. A deficit of \$123,255 is anticipated to be realized, compared to a deficit of \$183,084 as budgeted. CLSA rollover funds from fiscal years 2020/21 through 2022/23, totaling \$861,942, were rolled to fiscal year 2023/24. Rolled over CLSA funds are anticipated to be spent with the exception of \$428,686 for e-Resources. Funds can be allocated as recommended by the Administrative Council.

6. SCLC Investments Report Andy Beck
The investment overview reflects the balance of the LAIF and CEPPT accounts as of June 30, 2023.

	LAIF	CEPPT	Total
Balance as of July 1, 2022	\$1,805,857	\$87,177	\$1,893,034
Change in interest receivable	(12,131)	-	(12,131)
Interest revenue	43,860	-	43,860
Fair market adjustment	(4,683)	2,083	(2,600)
Administrative expenses	-	(200)	(200)
Balance as of June 30, 2023	\$ 1,832,903	\$ 89,060	\$ 1,921,963

Account for the certificates of deposit will be open once we transfer SCLC funds to the new bank account.

7. Banking Status Update Andy Beck
With the recommendation of the Audit & Finance Committee, the Administrative Council approved to switch SCLC's banking institution from Pacific Western Bank to a "larger bank." Initially, SCLC staff decided to switch to Bank of America; however, staff discovered that Bank of America does not accommodate governmental organizations and funds over FDIC coverage (\$250,000) would not be collateralized. As a result, SCLC staff has selected an alternative "larger bank" JP Morgan Chase, which does support governmental organizations and will be able to provide coverage over the FDIC limit to SCLC's account. The application process was started in July 2023.

8. Review of 2024 Health Premiums Andy Beck
CalPERS Health Plans will incur a premium increase in calendar year 2024. For SCLC's active employees, the average premium increase totals 12.77%, with a \$50/pay period financial burden added to an SCLC employee. To negate this financial burden in proportion to the increase in health premiums, the health premium allowance would need to increase \$48.75 per pay period to \$462.44 per pay period, or \$1,001.95 per month. Alternatively, the financial burden can be split equally between the employee and SCLC resulting in an increase of \$24.38 per pay period to \$438.07 or \$949.15 per month. MSP (Schram/Lockwood) to recommend to the Administrative Council an increase in the health premium allowance of 5.89% (\$3,169 increase in cost) effective January 1, 2024, to address increasing health care premiums.
3 yes, 0 no, 0 abstain
9. Revenue Generation Hilda LohGuan
Through discussions and recommendations that were generated by this Committee, two revenue generating initiatives are being implemented for fiscal year 2023/24: an increase in membership dues and investment income that will be generated via Certificate of Deposit accounts. Currently, staff is focusing on ways to decrease any existing expenditures.
10. Other Hilda LohGuan
"...that is, matters initiated in the present meeting." Robert's Rules of Order, Revised, III, p.21. Limited by Brown Act to discussion only.
None.
11. Adjournment Hilda LohGuan
MSP (Lockwood/Schram) to adjourn meeting. Meeting adjourned at 3:31pm.

Respectfully submitted by Lori Graver on September 27, 2023.