



MADERA COUNTY WORKFORCE INVESTMENT CORPORATION

SPECIAL MEETING MINUTES

December 7, 2023

*Convened at the Workforce Assistance Center - Conference Room
2037 W. Cleveland Avenue, Madera, CA 93637
(559) 662-4589*

PRESENT: Debi Bray, Mattie Mendez, Mike Farmer, Roger Leach, Ramona Davie, Tim Riche
ABSENT: Gabriel Mejia, Roger Leach
GUEST: Cameron Thomas, Henry Oum, Mark Pedraza
STAFF: Bertha Vega, Jessica Roche, Maiknue Vang, Nicki Martin

1.0 Call to Order

Meeting called to order by Chair Debi Bray at 3:01 p.m.

1.1 Pledge of Allegiance

2.0 Additions to the Agenda

None.

3.0 Public Comment

None.

4.0 Introductions and Recognitions

Cameron Thomas and Mark Pedraza, Marketing Outreach Interns, were introduced. They will be working with MCWIC through June 30, 2024 and will be helping with marketing and social media.

5.0 Adoption of Board Agenda

Mattie Mendez moved to adopt the agenda, seconded by Mike Farmer.

Vote: Approved – unanimous

Yes: Debi Bray, Mattie Mendez, Mike Farmer, Roger Leach, Tim Riche

6.0 Consent Calendar

6.1 Consideration of approval of the October 26, 2023, Madera County Workforce Investment Corporation (MCWIC) meeting minutes.

Mattie Mendez moved to approve, seconded by Tim Riche.

Vote: Approved – unanimous

Yes: Debi Bray, Mattie Mendez, Mike Farmer, Roger Leach, Tim Riche

7.0 Action Items

7.1 Consideration of approval of the MCWIC year-to-date financial reports for period ending September 30, 2023.

The financial documents through September 30, 2023, were presented to the Board. Jessica Roche, Controller, pointed out a Note on the Balance Sheet outlining the lease liability amount still needs to be broken out between current and long term. The amount should be properly reflected on February's reports. This Note is due to the new requirement to include lease liability amounts on the balance sheets. The lease liability is all lumped together but will now need to be broken out. It was suggested that the lease terms be included in the document. Staff mentioned that according to the newly revised Chief Local Elected Official (CLEO) document, the financials may be brought to the MCWIC Board quarterly instead of monthly. Discussion held as to whether the Board would like to change the MCWIC Board meeting schedule. It was mentioned that meeting at least bi-monthly would make it easier when new members join the Board so that they have more time to adjust and learn about the MCWIC.

Tim Riche moved to approve, seconded by Ramona Mike Farmer.

Vote: Approved – unanimous

Yes: Debi Bray, Mattie Mendez, Mike Farmer, Roger Leach, Tim Riche

7.2 Consideration of approval of the Audit Report for the 2022-2023 audited financial statements submitted by Price Paige & Company.

Henry Oum, Price Paige and Company provided a review of the audit. This was the first year they did the audit for MCWIC. An audit is required anytime there are expenditures of over \$750,000 in Federal funds. This audit was unique in that Price Paige and Company are new auditors for MCWIC. Price Page and Company will also prepare the IRS Form 990 for MCWIC. There were no audit adjustments or findings. MCWIC had an unmodified audit which is the best an organization can receive. In 2023, there was only 1 new requirement for MCWIC to implement – the new lease standard. Effective 2023, organizations must now report the full liability for future commitments of leases on the balance sheet. This represents an approximate \$3 million dollar adjustment to the balance sheet. The Independent Auditor's Report provides information on the audit and the audit opinion. MCWIC received a clean, unmodified audit. The report also outlines MCWIC's role and responsibility in the preparation of the audit. Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the USA. This report also outlines the Auditors' responsibilities as well. The Statement of Financial Position is the balance sheet. Total assets are \$3,640,142 with \$2,754,073 as operating right-of-use asset. MCWIC's total net assets at the end of 2023 were \$682,700. The Statement of Activities is essentially the income statement which details the revenue sources as well as the expenditures to get down to the change in net assets - \$85,626. The Statement of Functional Expenses details the expenses by natural classifications. They must be listed by function. This is important because readers can see how much funds go to a program's purpose. The Statement of Cash Flows is required and reconciles the net income to the total cash at the end of the year. Footnote disclosures are required. For the most part, the disclosures have been updated from the prior year with the only new disclosure being the lease disclosure. The Note 2- Availability and Liquidity is related to availability and liquidity. Accounting regulations require non-profits to present how much financial resources an organization has available to operate the following year. This is formulated by going through the balance sheet and identifying any financial assets that are going to be converted into cash within one year then backing out any donor restricted obligations which gives the available liquid financial resources to operate the next year. The Schedule of expenditures of Federal Awards shows every source of Federal funding. The Report on Internal Control Over Financial Reporting and on Compliance and other Matters would list any deficiencies, however, there are none reported. The Independent Auditor's Report on Compliance for Each Major Program and on Internal Control offers an opinion on the Federal program. This report provides a clean,, unmodified opinion. The Schedule of Findings and Questions Costs is an executive summary and summarizes the entire audit. MCWIC received a clean, unmodified opinion. MCWIC is now

considered a low-risk auditee. In order to be a low-risk auditee, an organization must have had at least 2 years of consecutive clean audits. The MCWIC Board and staff thanked Henry for their work and the excellent presentation of the audit.

Mike Farmer moved to approve, seconded by Mattie Mendez.

Vote: Approved – unanimous

Yes: Debi Bray, Mattie Mendez, Mike Farmer, Roger Leach, Tim Riche

7.3 Discussion and Consideration of MCWIC Board of Director term limits as stated in the MCWIC Bylaws.

In reviewing the Bylaws, staff came to the realization that the MCWIC Board has not been using term limits per the bylaws. The bylaws were revised in 2018 during a time when Board Governance was discussed. At that time, the term limits were included in the revisions, but the Board did not discuss the term limit revisions during the meeting. In section 4.05 of the bylaws, Board members will serve no more than a total of 2 3-year terms. There was no discussion or action taken to set term limits or set up any procedures for member terms. In accordance with the bylaws, the MCWIC board is out of compliance with member terms and staff would like to discuss term limits guidelines. Staff would like to stagger Board members' terms and look at possibly removing limits to terms. Staff would use the members' appointment dates to determine their terms. 2 3-year terms are standard among non-profits. It was also mentioned that there is no mention of guidelines as to the process of re-appointing members. It was also noted that new members do not get appointed to finish an outgoing member's term. New members will start their own new term. It was determined that the bylaws should be revised to remove the term limits and allow for additional terms at the discretion of the Board and that there should be a process or guidelines for re-appointment included in the bylaws for future reference.

Tim Riche moved to suspend the bylaws for 90 days and have staff revise the bylaws according to the meeting discussion and suggestions and bring revisions back to the January 2024 meeting for approval, seconded by Ramona Davie.

Vote: Approved – unanimous

Yes: Debi Bray, Ramona Davie, Mike Farmer, Roger Leach, Tim Riche

8.0 Information Items

8.1 Success Stories

Information provided within the agenda packet.

8.2 Update on Workforce Development Board (WDB) of Madera County

Information provided within the agenda packet.

8.3 Workforce Innovation and Opportunity Act (WIOA) Formula and Special Projects Quarterly Program Overview

Information provided within the agenda packet.

8.4 Approval of Local Area Subsequent Designation and Local Board Recertification Program Year 2023-25.

Information provided within the agenda packet.

8.5 Unemployment Insurance (UI) Claims Information

Information provided within the agenda packet.

9.0 Written Communication

None.

10.0 Open Discussion/Reports/Information

10.1 Board Members

- *Mike Farmer stated that he is moving to Missouri, and this will be his last Board meeting. The Board and staff thanked him for his time on the Board and his work in the community.*

10.2 Staff

- *Maiknue stated that the Youth Program will be monitored the week of January 22nd for the 2022-23 fiscal year. She thanked the Board for their patience and support for the past 9 months. She has learned a lot.*

11.0 Next Meeting

January 25, 2024

12.0 Adjournment

Tim Riche moved to adjourn the meeting at 4:29 p.m., seconded by Ramona Davie.