



**Monterey Bay Air Resources District
BUDGET/PERSONNEL/NOMINATING
COMMITTEE MEETING AGENDA**

KOLLIN KOSMICKI, CHAIR

WEDNESDAY, DECEMBER 17, 2025 – 12:30 P.M.

24580 Silver Cloud Court, 3rd Floor, Monterey, CA 93940

****Lunch will be provided for the Committee and presenting staff****

REMOTE LOCATION VIA TELECONFERENCE

Any interested parties or community members may attend and participate in the meeting at the following address where Director LeBarre will attend the meeting from:

City Hall Council Chambers
212 S. Vanderhurst Ave., King City, CA 93930

BOARD MEMBERS ATTENDING REMOTELY

Director LeBarre will attend the meeting remotely from:

City Hall Council Chambers
212 S. Vanderhurst Ave., King City, CA 93930

ZOOM MEETING OPTION FOR PUBLIC

Link to meeting: <https://us02web.zoom.us/j/87893970338>

Webinar ID: 878 9397 0338

By Phone (audio only; Webinar ID required): 1-669-900-6833

Members of the public that wish to participate in the meeting may do so by joining the Zoom Webinar ID, attending in-person at 24580 Silver Cloud Ct. Monterey, or attending in-person at remote teleconference locations when listed above. Should you have any questions, please contact Sirie Thongchua, Executive Assistant, at (831) 718-8028 or by email at sirie@mbard.org.

To Provide Public Comment via Zoom teleconference/video conference: During the live meeting verbal public comments may be made by members of the public joining the meeting via Zoom. Use the “raise hand” feature (for those joining by phone, press *9 to “raise hand”) during the public comment period for the agenda item you wish to address. Members of the public participating via Zoom will be muted during the meeting and may be unmuted to speak during public comment after requesting and receiving recognition by the Chair. Please clearly state your full name for the record at the start of your public comment.

To Submit Public Comment Before the Meeting: Persons who wish to address the Committee for public comment of an item not on the agenda are encouraged to submit comments in writing to Sirie Thongchua, Executive Assistant, at sirie@mbard.org by 5:00 p.m. on Tuesday, December 16, 2025. Comments received will be distributed to the Committee prior to the meeting.

SUMMARY OF ACTIONS

1. Call to Order – **The meeting was called to order by Chair Kosmicki at 12:30 p.m.**
2. Roll Call - **Present:** Mary Ann Carbone, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre. **Absent:** Chris Lopez. Director LeBarre participated remotely.
3. Public Comment – **None.**

CONSENT AGENDA

Motion: Approve items on the Consent Agenda. **Action:** Approve. **Moved by** Felipe Hernandez, **Seconded by** Mary Ann Carbone. **Vote:** Motion carried unanimously by roll call vote. (**summary:** Yes = 4). **Yes:** Mary Ann Carbone, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre. **Absent:** Chris Lopez.

4. **Accepted and Filed** Summary of Actions for the MBARD Budget/Personnel/Nominating Committee Meeting of October 15, 2025

REGULAR AGENDA

5. **Received and Accepted** the Monterey County Treasurer’s Report on Investments for the Quarter Ended September 30, 2025
6. **Received** Report of Other Post Employment Benefits (OPEB) Trust and Pension Trust Accounts for the Quarter Ended September 30, 2025
7. **Received** Report and **Recommended** Adoption of Resolution Approving Fiscal Year 2025-26 Budget Revisions, Per Schedule A, to Board of Directors
Motion: Receive report and recommend that the Board of Directors approve fiscal year 2025-26 budget revisions per the attached Schedule A. **Action:** Approve. **Moved by** Felipe Hernandez, **Seconded by** Mary Ann Carbone. **Vote:** Motion carried unanimously by roll call vote. (**summary:** Yes = 4). **Yes:** Mary Ann Carbone, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre. **Absent:** Chris Lopez.
8. **Received** Draft Financial Statements and Independent Audit Report for the Year Ended June 30, 2025, Prepared by Badawi & Associates and Recommend Acceptance by the Board of Directors
Motion: Receive draft Financial Statements and Independent Audit Report for the fiscal year ended June 30, 2025, and recommend acceptance by the Board of Directors. **Action:** Approve. **Moved by** Felipe Hernandez, **Seconded by** Mary Ann Carbone. **Vote:** Motion carried unanimously by roll call vote. (**summary:** Yes = 4). **Yes:** Mary Ann Carbone, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre. **Absent:** Chris Lopez.
9. Order for Adjournment – **The meeting adjourned at 1:00 p.m.**

Sirie Thongchua
Executive Assistant



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Agenda Item No. 6




Areas of Primary Audit Emphasis



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Audit Methodology




Planning
Gather Information and Finalize Timing.

Interim
Review Systems, Processes and Assess Risk.

Year-End
Test and Validate Significant Account Balances.

Reporting
Prepare Necessary Reports.



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Areas of Primary Audit Emphasis

Revenue and receivables – Improper revenue recognitions

- Confirm or obtain supporting documentation for significant revenues
- Perform analysis of receivables and revenue accounts

Management override of controls

- Review of accounting estimates for bias
- Examination of manual journal entries
- Evaluation of business rationale for unusual transactions



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Auditor's Report and Financial Statements



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Audit Methodology



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Auditor's Report

Auditing Standards

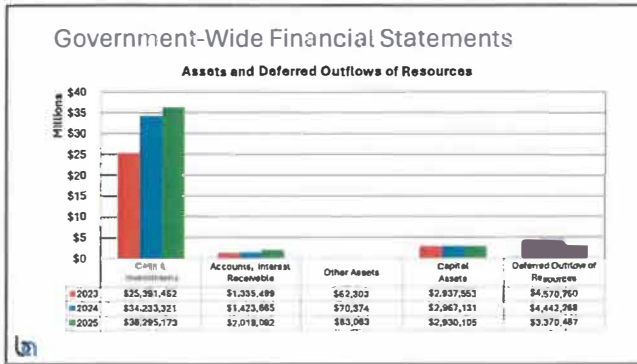
- Audit performed in accordance with Generally Accepted Auditing Standards

Unmodified opinion

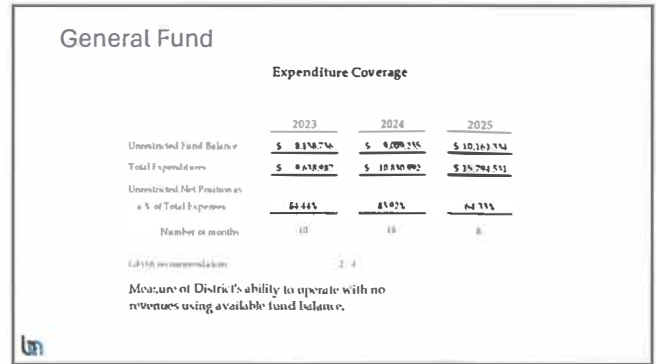
- Financial statements are fairly presented in all material respects
- Significant accounting policies have been consistently applied
- Estimates are reasonable
- Disclosures are properly reflected in the financial statements



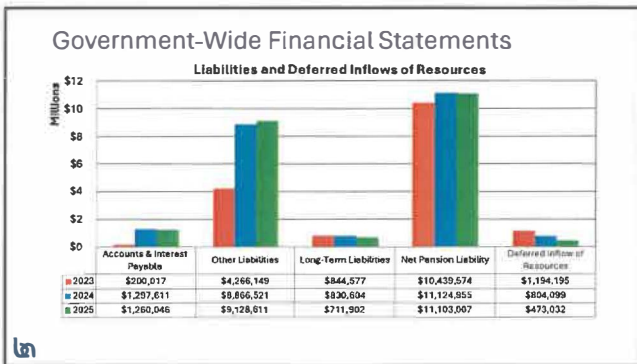
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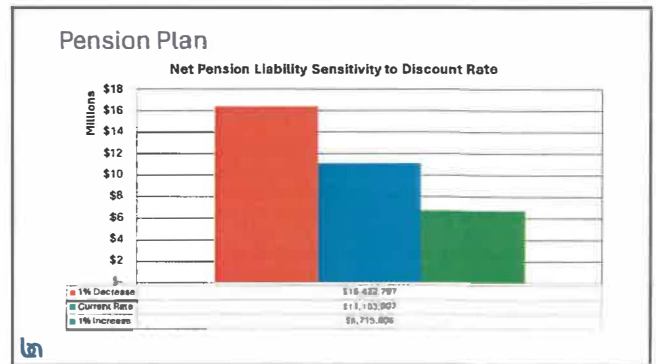
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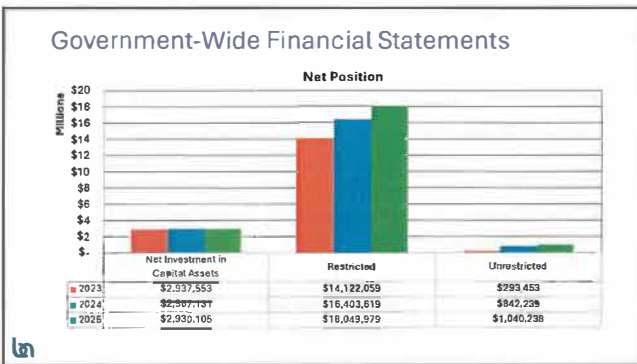
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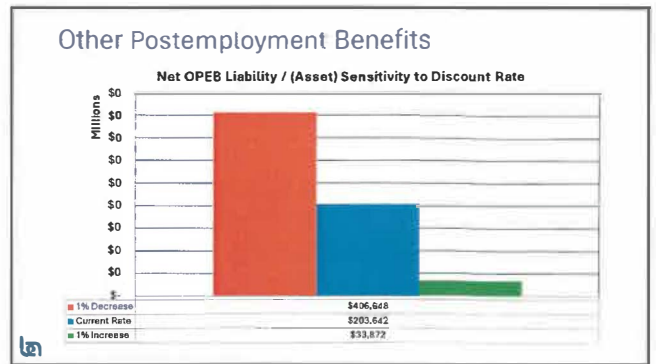
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Agenda Item No. 6



Required Communications

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Required Communications

- Management Judgment and Accounting Estimates**
 - Capital assets depreciation and useful life
 - Pension and OPEB related estimates
- Difficulties Encountered in Performing the Audit**
 - No difficulties encountered.
- Significant Audit Adjustments and Unadjusted Differences**
 - Management has posted all proposed audit adjustments.
- Deficiencies in Internal Control over Financial Reporting**
 - No material weaknesses identified during our audit.

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Required Communications

Auditor's Responsibilities	Management's Responsibilities
• Opinion on whether financial statements are fairly stated in accordance with U.S. GAAP	• Management is responsible for the financial statements
• Evaluate internal control over financial reporting including tone at the top	• Establish and maintain internal control over financial reporting
• Evaluate compliance with laws, contracts, and grants.	• Making all financial records available to us
• Ensure financial statements are clear and transparent	• Establish internal control to prevent and detect fraud
• Communicates with the governing body	• Inform us of all known and suspected fraud
	• Comply with laws and regulations
	• Take corrective action on audit findings

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New Accounting Standards

2026

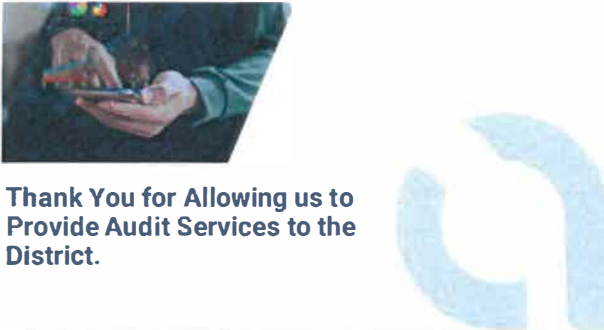
- GASB Statement No. 103 – Financial Reporting Model Improvements
- GASB Statement No. 104 – Disclosure of Certain Capital Assets

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Required Communications

- Independence**
 - It is our responsibility to maintain independence
 - We will maintain our independence by strict adherence to the AICPA and the Board of Accountancy rules and regulations
 - No services performed that could affect our independence other than preparing the financial statements.
- Timing of the Audit**
 - Within the time frame communicated in our engagement letter.
- Significant Accounting Policies and Unusual Transactions**
 - The District adopted the following new pronouncements during the year:
 - GASB Statement No. 101 – Compensated Absences
 - GASB Statement No. 102 – Certain Risk Disclosures

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Thank You for Allowing us to Provide Audit Services to the District.

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