



COUNTY OF HUMBOLDT

AGENDA ITEM NO. **II**

For the meeting of: April 3, 2018

Date: March 27, 2018
To: Board of Supervisors
From: Amy S. Nilsen, County Administrative Officer *AN*
Subject: Auditor-Controller

RECOMMENDATION(S):

That the Board of Supervisors:

1. Accept the resignation of the current Auditor-Controller Joseph Mellett effective Friday, April 27, 2018; and
2. Direct Human Resources to begin the recruitment process for an appointment to the position of Auditor-Controller, to fill the remainder of the term that will expire on December 31, 2018.

SOURCE OF FUNDING:

General Fund

DISCUSSION:

On March 27 current Auditor-Controller Joseph Mellet provided the County Administrative Office with his resignation effective April 27, 2018. The position of Auditor-Controller is an elected position. Mr. Mellett's term as Auditor-Controller expires on December 31, 2018. Mr. Mellett's early resignation leaves the position of Auditor-Controller vacant.

Prepared by: Amy S. Nilsen

CAO Approval *[Signature]*

REVIEW: Auditor _____ County Counsel *[Signature]* Human Resources *[Signature]* Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor _____ Seconded by Supervisor _____

Ayes
Nays
Abstain
Absent

SEE ACTION SUMMARY

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: _____

By: _____

Kathy Hayes, Clerk of the Board

Government Code Section 25304 states that: “the board of supervisors shall fill by appointment all vacancies that occur in any office filled by the appointment of the Board and elective county officers, except judge of the superior court and supervisors.” The appointee shall hold office for the unexpired term or until the first Monday after January 1st succeeding the next general election.

In order to address this vacancy staff recommends Human Resources conduct a recruitment process. The position of Auditor-Controller can be advertised from April 4 to April 18. Interviews can take place on Monday, April 23 to fill the remainder of the term that will expire on December 31, 2018. Interviews will take place in a public Board meeting.

It should be noted that there are currently two candidates running for Auditor-Controller. Therefore, the appointment recommended today is only until December 31, 2018, as the winning candidate will assume office on Wednesday, January 2, 2019 once they are sworn in.

The duties of the Auditor Controller are set forth in Government Code sections 26880-26884 and which provide:

- The Auditor-Controller to be the chief accounting officer of the county;
- Exercise a general supervision, including the ability to review departmental and countywide internal controls, over the accounting forms and the method of keeping the accounts of all offices, departments and institutions;
- Upon order of the Board of Supervisors, maintain such accounts and statistics and prepare such reports therefrom as the Board may deem necessary for its information and use in the management and control of the operations of the county; and
- Upon direction of the Board, audit the accounts and records of any department, office, board or institution under its control and report on any such audit to the Board of Supervisors.

Further Government Code 26900, 26904, and 26905 states:

- “26900. The auditor shall examine and settle the accounts of any persons indebted to the county or holding money payable into the county treasury, and shall certify the amount to the treasurer. Upon the presentation and filing of the treasurer's receipt therefor, the auditor shall give to such person a discharge and charge the treasurer with the amount received by him.”
- “26904. The auditor shall keep accounts current with the treasurer, and when any person deposits with the auditor any receipt given by the treasurer for any money paid into the treasury, the auditor shall file the receipt and charge the treasurer with the amount.”
- “26905. Not later than the last day of each month, the auditor shall reconcile the cash and investment accounts as stated on the auditor's books with the cash and investment accounts as stated on the treasurer's books as of the close of business of the preceding month to determine that the amounts in those accounts as stated on the books of the treasurer are in agreement with the amounts in those accounts as stated on the books of the auditor.”

Government Code Section 26945 also provides a series criteria, and one of those criteria must be met in order to be an elected or appointed Auditor.

Depending upon your Board's selection of a candidate, your Board may need to consider a short-term interim appointment while a candidate gives notice to their employer. Should this occur staff will bring short-term interim appointment recommendations to your Board on April 23.

FINANCIAL IMPACT:

The annual salary for Auditor-Controller is \$121,464. There is no significant financial impact to the county by appointing an Auditor-Controller to fill out the term, as the salary and benefit costs are included in the Fiscal Year 2017-18 budget and will be included in the Fiscal Year 2018-19 budget.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion.

ATTACHMENTS:

1. Mellett Resignation Letter
2. Format for Oral Presentations to the Board of Supervisors

RECEIVED
MAR 27 2018
CAO



AUDITOR-CONTROLLER
COUNTY OF HUMBOLDT
825 FIFTH STREET, ROOM 126
EUREKA, CALIFORNIA 95501
PHONE (707) 476-2452

March 27, 2018

Amy Nilsen
County Administrative Officer

Dear Ms. Nilsen:

I am resigning my position as Auditor-Controller effective at the close of business on Friday, April 27, 2018.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "M. J. Mellett". The signature is written in a cursive, flowing style.

Joseph Mellett
Auditor-Controller
County of Humboldt

FORMAT FOR ORAL PRESENTATIONS TO THE BOARD OF SUPERVISORS

Humboldt County Auditor-Controller

Monday, April 23

- First, each candidate must comply with Government Code Section 26945 and Humboldt County Code Title II - Administration, Division 4 - County Departments and Offices, Chapter 3, Section 243-2 (Attached).
- Each candidate will make an oral presentation to the county Board of Supervisors in a public Board meeting.
- The presentation should be limited to approximately 15 minutes.
- The Board will have copies of each candidate's application to refer to during the presentation. The applications are considered to be public documents.
- The presentations must be oral only (i.e. no powerpoints, charts, videos, etc.). Candidates should not bring written materials for the Board beyond those which candidates have already submitted through the application process.
- Candidate presentations to the Board should address the following specific questions:
 1. How will you manage the transition into the position and what will be your goals for the appointed term?
 2. What background do you have which would demonstrate your ability to effectively carry out the responsibilities of the Auditor-Controller in the following areas:
 - Ability to review departmental and countywide internal controls, over the accounting forms and the method of keeping the accounts of all offices, departments and institutions.
 - Reconciling the cash and investment accounts.
 - Supervising, coaching and mentoring staff of all degrees of experience and education.
 3. What else would you like the Board of Supervisors to know and take into consideration regarding your qualifications for or interest in this position?
- The order of the candidate presentations will be determined by lot the morning of April 23.

CHAPTER 3

SEPARATION OF THE OFFICES OF AUDITOR AND RECORDER OF HUMBOLDT COUNTY

243-1. SEPARATION OF OFFICES.

The public interest will best be served by separating the duties of the offices of Auditor and Recorder of the County of Humboldt by providing that the duties of each of said offices shall be performed by a separate person. Therefore, at each general election there shall be a separate person elected for the office of Auditor of the County of Humboldt, and at each general election there shall also be a separate person elected for the office of Recorder of the County of Humboldt. (Ord. 94, §§ 2 & 3, 1/15/1905)

243-2. QUALIFICATIONS FOR COUNTY AUDITOR.

(a) No person shall hereafter be elected or appointed to the office of County Auditor of the County of Humboldt unless the person meets at least one of the following criteria: (Ord. 2190, § 1, 02/23/1999)

(1) The person possesses a valid certificate issued by the California State Board of Accountancy under Chapter 1 (commencing with Section 5000) of Division 3 of the Business and Professions Code showing the person to be, and a permit authorizing the person to practice as, a certified public accountant or as a public accountant. (Ord. 2190, § 1, 02/23/1999)

(2) The person possesses a baccalaureate degree from a accredited university, college, or other four-year institution, with a major in accounting or its equivalent, as described in subdivision (a) of Section 5081.1 of the Business and Professions Code, and has served within the last five years in a senior fiscal management position in a county, city, or other public agency, a private firm, or a nonprofit organization, dealing with similar fiscal responsibilities, for a continuous period of not less than three years. (Ord. 2190, § 1, 02/23/1999)

(3) The person possesses a certificate issued by the Institute of Internal Auditors showing the person to be a designated professional internal auditor, with a minimum of 16 college semester units, or their equivalent, in accounting, auditing, or finance. (Ord. 2190, § 1, 02/23/1999)

(4) The person has served as county auditor, chief deputy county auditor, or chief assistant county auditor for a continuous period of not less than three years. (Ord. 2190, § 1, 02/23/1999)

(b) Any person serving in the capacity of County Auditor shall complete at least 40 hours of qualifying continuing education, pursuant to subdivision (c), for each two-year period, and completing at least 10 hours in each of the two-year period. At least 20 of the 40 hours of continuing education shall be obtained in governmental accounting, auditing, or related subjects. (Ord. 2190, § 1, 02/23/1999)

(c) Qualifying continuing education may be obtained in the areas of accounting, auditing, or related subjects. In addition, qualifying continuing education may be obtained in any other subject, if it can be demonstrated that the specific educational program contributes to professional competence. (Ord. 2190, § 1, 02/23/1999)

(d) With respect to a county auditor who is a licensee of the California Board of Accountancy, or of the accountancy licensing authority of any other state, or who possesses a certificate issued by the Institute of Internal Auditors, continuing education obtained for purposes of renewal of the license or certificate may be applied to satisfy the requirements of this section. (Ord. 2190, § 1, 02/23/1999)