

**Summary Minutes
Administration & Finance Committee
Wednesday, March 2, 2022, 2:00 p.m.**

Due to COVID-19, this meeting was conducted as a teleconference pursuant to the provisions of Assembly Bill 361.

Directors: Sue Noack, Keith Haydon, Laura Hoffmeister
Staff: Bill Churchill, Ruby Horta, Amber Johnson, Chan Saechao, Karol McCarty, Julie Sherman
Public: None

Call to Order: Meeting called to order at 2:00 p.m. by Director Noack.

1. Approval of Agenda

The Committee approved the agenda.

2. Public Communication

None.

3. Approval of Minutes of February 2, 2022

The Committee approved the minutes.

4. CCCTA Investment Policy-Quarterly Reporting Report

Ms. Johnson reported that the portfolio as of September 30, 2021 complies with County Connection's Investment Policy, and that total cash on hand at this date was \$31 million. The Committee approved the report to be forwarded to the full Board of Directors as a consent item.

5. Income Statements for the Three Months Ended September 30, 2021

Ms. Johnson reported that the actual expenses of \$8.8 million represent 19.4% of the total annual budget of \$45.3 million, and expenditures are equal to revenues due to the way the Authority utilizes its TDA revenues. Fixed route expenses have utilized 19.8% of total budget, primarily due to continued vacancies in staffing, plus underutilization of special COVID-related purchased transportation initiatives. Paratransit expenses have utilized 18.1% of total budget, with ridership continuing to track under budget due to COVID impacts on ridership. Ms. Johnson also highlighted the statistical portion of the report, which reveals farebox ratio and cost per passenger numbers at pre-COVID and post-COVID levels, with recent indicators showing fair improvement in ridership and productivity. Director Hoffmeister asked if federal stimulus money was being made available for reductions in fare revenue. Ms. Johnson replied that yes, federal dollars are being utilized to backfill this revenue. Mr. Churchill further explained that while federal stimulus money is being utilized and TDA/STA revenue collection exceeded expectations during the heart of the pandemic, the Authority is still facing a structural deficit where expenditures are outpacing revenues. This will need to be monitored closely as current reserves are depleted. Each member of the A&F

Committee accepted the report to be presented at to the full Board of Directors as an informational item.

6. 5 Year IT Replacement Plan

Ms. Horta introduced Mr. Saechao, the Authority's Director of IT, to the Committee. Ms. Horta presented the proposed 5-year IT plan, covering the fiscal years 2022 through 2026. She reported that various software and hardware projects are being planned to maintain the Authority's technology capabilities and ensure they are up to date with current standards. The total budget proposed for the 5-year period is approximately \$1 million. The IT plan will also be incorporated into the FY 2023 budget draft which will come back to the A&F Committee in April. Director Haydon expressed support for upgrading the systems that are out of date. Director Hoffmeister asked if the budget for the rewiring included wiring behind the walls. Mr. Saechao indicated that yes, the budget was for the entire project. The Committee recommended approval of the proposal to the full Board of Directors, with a minor revision to include the timing of each project in the body of the staff report.

7. Cap and Trade Grant (LCTOP) – FY 2021-22

Ms. Horta presented the staff proposal for continued usage of Cap & Trade (LCTOP) funds. County Connection will be receiving about \$1.5 million in Cap & Trade this year. Staff proposes using these funds to continue operating service between Amtrak and BART and subsidizing fares for Routes 11, 14 and 16. Given the increase in available funding (and decrease in ridership due to COVID-19), staff is also proposing to expand subsidized fares to weekend routes serving the Monument Corridor (Routes 311, 314, and 316). Director Hoffmeister asked how long we might be able to continue providing subsidized fares with these funds, and Ms. Horta replied that we have had a few consecutive years of roll-forward of these funds as they have been underutilized due to reduced ridership. The Committee recommended approval of the proposal to the full Board of Directors, with a short presentation from staff (not as a consent item).

8. Review of Vendor Bills, February 2022

The Committee reviewed the vendor bills for February 2022.

9. Approval of Legal Services Statement, December 2021 General and December 2021 Labor

The Committee approved the legal services statements for December 2021.

10. Next Scheduled Meeting

The next meeting was scheduled for April 6th at 2:00 p.m. via teleconference, pending developments to Brown Act teleconference rules for public meetings.

11. Adjournment – The meeting was adjourned at 2:40 p.m.

Minutes prepared and submitted by: Amber Johnson, Chief Financial Officer