

Administration and Finance Committee
Summary Minutes
January 4, 2017

The meeting was called to order at 9:00 a.m. at Supervisor Andersen's Office in Lafayette at 3338 Mt. Diablo Boulevard. Those in attendance were:

Committee Members: Director Al Dessayer
 Director Don Tatzin
 Director Sue Noack
 Director Candace Anderson

Staff: General Manager Rick Ramacier
 Director of Finance Erick Cheung

1. Approval of Agenda- Approved.
2. Public Communication- None.
3. Approval of Minutes of December 7, 2016- Approved.
4. Proposition 1B Transit Security Funding FY 2016-17 – General Manager Ramacier reported the Proposition 1B provides funding for the California Transit Security Grant Program (TSGP). Funds programmed for County Connection's use amount to \$93,535 for FY 2016-17. In the past, funds have been used for perimeter security (lighting), ITS routers on the bus, on-board cameras, and maintenance of the ITS system. Staff is proposing to apply for a grant amount of \$93,535 in FY 2016-17 TSGP funds to defray the ongoing maintenance expenses related to the ITS systems. This is also the final year of Prop 1B from Cal OES. The committee approved the recommendation and will forward to the Board.
5. PERS Actuarial Valuation for June 30, 2015; Rate for FY 2017-18- Director Cheung reported that the employer rate for PERS retirement for FY 2018 will be 7.471% and unfunded liability payment of \$47,020. County Connection's funded status is currently 95.8%, which is down from 99.9% in the previous year due to investment return of 2.4% for FY 2015. The projections from CalPERS for future years reflects an increase in the unfunded liability payment due to the last couple of years returns of 2.4% for FY 2015 and 0.6% for FY 2016, compared to the actuarially assumed annual rate of return of 7.5%. The unfunded liability payments will be \$47K in FY 2018, \$197K in FY 2019, \$356K in FY 2020, \$525K in FY 2021, \$703K in FY 2022, and \$830K in FY 2023. Finally, Director Cheung noted that CalPERS Board at its December 20th meeting approved the reduction of the discount rate from 7.5% to 7.0% and will begin phasing it in beginning in FY 2019 over an eight year period. The financial impact of this change is still not known but CalPERS estimates an increase to employer contribution rates between 1% - 3% for miscellaneous plans. Staff will incorporate the unfunded liability payments and increasing contribution rates in the new projections in the 10 year forecast that will be adopted by the Board in June. Information only.
6. Review of Vendor Bills, December 2016- Reviewed.
7. Legal Services Statement, October 2016, General & Labor- Approved.
8. Adjournment- The meeting was adjourned. The next meetings will be tentatively scheduled for Monday, February 6th; Wednesday, March 1st; Monday, April 10th; and Monday, May 1st at 9:00 a.m. at 3338 Mt. Diablo Blvd, Lafayette, CA 94549.