

Administration and Finance Committee
Summary Minutes
June 5, 2019

The meeting was called to order at 10:00 a.m. at 3338 Mt. Diablo Blvd in Lafayette. Those in attendance were:

Committee Members:	Director Al Dessayer Director Don Tatzin Director Kevin Wilk
Staff:	General Manager Rick Ramacier Chief Financial Officer Erick Cheung Assistant General Manager Bill Churchill Director of Human Resources Lisa Rettig

1. Approval of Agenda- Approved
2. Public Communication- None
3. Approval of Minutes of May 8, 2019- Approved.
4. Income Statements for the Six Months Ended March 31, 2019 – CFO Cheung reported that the actual expenses of \$27,839,774 are 4.6% (\$1,347,418) under budget for nine months of the fiscal year. Expenses are under budget due to vacancies, lower promotions services, legal services, and diesel fuel costs. Finally, the contingency is not needed for the first nine months. Mr. Cheung also noted that fare revenues of \$3,608,709 are 5.0% over budget (\$170,386) but we assumed a 3.0% decrease in the prior year. The committee accepted the report.
5. Adjustment to Non-Represented Administrative Employees Compensation – Director of Human Resources Rettig requested a 3% increase in the pay scale for administrative employees and a merit pool of \$40,000 which were included in the Draft FY 2020 Budget. Director Tatzin requested that staff consider a bonus program as an option for discussion at a future meeting instead of a merit increase. Approved by the Committee for the Board consent calendar.
6. Adoption of Gann Appropriations Spending Limitation for FY 2019-2020 – CFO Cheung reported that the spending limit for FY 2020 is \$78,313,902. The budgeted amount for operating and capital that is paid for by nonfederal monies is \$40,891,087 or \$37,422,815 under the Gann limitation. Approved for Board consent.
7. Fiscal Year 2020 Draft Budget and Ten Year Forecast – CFO Cheung reported that the FY 2020 Budget has been updated and proposes \$42.3 million in operational and capital expenses for fixed route and paratransit with revenues to offset these costs. The FY 2020 draft budget has been reviewed by the Committee each month beginning in March. County Connection's main revenue source is TDA 4.0 funds from MTC; the budget proposes using \$18.5 million which is \$2.4 million less than MTC estimates we will receive next fiscal year of \$20.9 million. This version has been updated for an additional \$244 thousand for paratransit services offset by TDA revenue in estimated costs for FY 2019.

The A&F Committee approved and recommended Resolution 2019-028 to adopt the FY 2020 Budget to the Board following a public hearing.

8. Review of Vendor Bills, May 2019- Reviewed.
9. Legal Services Statement, March 2019 Labor - Approved.
10. Adjournment- The meeting was adjourned. The next meeting is set for scheduled Tuesday July 2nd at 9am and Monday August 5th at 9am in Walnut Creek.

Erick Cheung, Chief Financial Officer