

Administration and Finance Committee
Summary Minutes
April 7, 2021

The meeting was called to order at 8:30 a.m. via Teleconference pursuant to the provision of the Governor's Executive Orders N-25-20 and N-29-20. Those in attendance were:

Committee Members: Director Sue Noack
 Director Don Tatzin

Staff: General Manager Rick Ramacier
 Assistant General Manager Bill Churchill
 Chief Operating Officer Scott Mitchell
 Chief Financial Officer Erick Cheung
 Director of Planning Ruby Horta
 Authority Attorney Julie Sherman

1. Approval of Agenda- Approved by each member of the A&F Committee
2. Public Communication- None
3. Approval of Minutes of March 10, 2021- Approved by each member of the A&F Committee.
4. Bus Advertising Amendment – Director Horta stated that a second amendment request has been submitted by Vector Media to continue revenue sharing of 55% to June 30, 2021 as they have been financially impacted by COVID-19. Staff's recommendation was to authorize the extension and allow the General Manager to extend beyond that date if advertising sales have not recovered. The goal would be to return to Year 2 minimum annual guarantees assuming Vector Media generates more than \$79,545 for two consecutive months. Director Tatzin understood the issues related to Vector Media and COVID-19 but requested a date certain end for the extension so the item would return to the Committee. GM Ramacier suggested that he would be authorized to extend on June 30th, but the extension would end on December 31, 2021. Each Committee member approved the extension of the 55% revenue sharing to June 30, 2021 and allowing the General Manager to extend to December 31, 2021 for Board consent calendar.
5. Adoption of the Draft Fiscal Year 2022 Proposed Budget and Forecast – CFO Cheung reported that the updated FY 2022 Budget proposes \$46,683,271 in operational and capital expenses with revenues to offset these costs. County Connection's main revenue source is TDA 4.0 funds from MTC; the budget proposes using \$21,355,413 which is \$2,161,087 more than MTC estimates we will receive next fiscal year of \$19.2 million. Compared to the March version, we have increases in expenses for FY 2021 and FY 2022 of \$627,924 and \$5,000, respectively, and received information that Measure J sales tax improved from Contra Costa Transportation Authority. The following items below are the changes from the March version:

FY 2021

Revenue:

1. Measure J Revenue increased \$1,203,268 due to improved sales tax revenues from \$6,010,929 to \$7,214,197 combined for fixed route and paratransit services.
2. Coronavirus Aid, Relief, and Economic Security (CARES Act) funding for FY 2021 for trips related to food deliveries for Meals on Wheels and schools for \$1,014,158.
3. LAVTA contributions and fare revenue to fund the Paratransit services for \$575,520 estimated to begin on April 1st.
4. Less TDA revenue needed based on increases in revenue noted above.

Expense:

5. LAVTA Paratransit Services for \$575,520 as the tentative start date of the demonstration project is to begin on April 1st.
6. Cost of Living Adjustments for Administrative staff for \$55,404 which the Board approved last month.

FY 2022

Revenue:

1. Measure J Revenue increased \$235,990 due to improved sales tax revenues from \$6,475,010 to \$6,711,000 combined for fixed route and paratransit services.
2. Coronavirus Aid, Relief, and Economic Security (CARES Act) funding reduction since we shifted some of the reimbursements into FY 2021 for \$1,014,158 as noted earlier.
3. Higher TDA revenue needed in FY 2022 as we shift CARES Act revenue to FY 2021.

Expense:

4. Choice in Aging services reduced by \$150,000 as the original budget amount was determined to be higher than needed.
5. Promotion's budget increased \$35,000 based on the Board approved marketing plan in March.
6. Insurance premiums increased \$90,000 due to the insurance market being hit by multiple events from COVID-19 to major natural disasters throughout the country.

Staff requested that the A&F Committee provide comments and forward the draft to the Board of Directors for approval of Resolution No. 2021-022 to file a claim with MTC. The FY 2022 Budget is to submit a claim to MTC for County Connection's TDA allocation and receive these funds timely. Each Committee member approved the Draft FY 2022 Budget and Resolution No. 2021-022 to the Board so a claim can be filed with MTC for TDA funding.

6. Review of Vendor Bills, March 2021- Reviewed by each member of the A&F Committee.
7. Legal Services Statement, January 2021 Labor and February 2021 – Approved by each member of the A&F Committee.
8. Next Scheduled Meeting – The next meeting is set for scheduled for 8:30 am on Wednesday, May 5th via teleconference.
9. Adjournment- The meeting was adjourned.

Erick Cheung, Chief Financial Officer