

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

FINANCE AND PERSONNEL COMMITTEE

Thursday, September 21, 2017, 5:00 p.m. to 6:00 p.m.

Location:

Bay Area Metro Center
Board Room
375 Beale Street
San Francisco, California

Committee Members:

Karen Mitchoff, Supervisor, County of Contra Costa—*Chair*
Annie Campbell Washington, Councilmember, City of Oakland
David Cortese, Supervisor, County of Santa Clara—*Ex officio*
Pradeep Gupta, Mayor, City of South San Francisco
Scott Haggerty, Supervisor, County of Alameda
Erin Hannigan, Supervisor, County of Solano
Julie Pierce, Councilmember, City of Clayton—*Ex officio*
David Rabbitt, Supervisor, County of Sonoma—*Ex officio*
Greg Scharff, Mayor, City of Palo Alto—*Vice Chair*

The ABAG Finance and Personnel Committee may act on any item on this agenda.

Agenda and attachments available at <http://abag.ca.gov/meetings/financepersonnel.html>

*This meeting is scheduled to be webcast live at
<http://abag.ca.gov/meetings/financepersonnel.html>*

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

2. PUBLIC COMMENT

INFORMATION

3. COMMITTEE ANNOUNCEMENTS

INFORMATION

ABAG Finance and Personnel Committee

September 21, 2017

Page 2

4. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF MEETING ON JULY 20, 2017

ACTION

Attachment: Summary Minutes of July 20, 2017

5. REPORT ON FINANCIAL REPORTS FOR JUNE 2017

INFORMATION

Attachment: None

6. REPORT ON FINANCIAL REPORTS FOR JULY 2017 (UNAUDITED)

INFORMATION

Attachment: Memo Financial Reports July 2017

7. REPORT ON FINANCIAL INVESTMENTS FOR JULY 2017

INFORMATION

Attachments: Memo Financial Investments; Report

8. REPORT ON LOCAL COLLABORATION PROGRAMS

INFORMATION

Attachment: Memo Local Collaboration Programs

9. REVISION TO JUNE 30, 2017 AMENDMENT TO EMPLOYMENT AGREEMENT FOR KENNETH MOY TO ADD DENTAL AND VISION INSURANCE

ACTION

Attachment: Memo Legal Counsel Amendment

10. ADJOURNMENT

The next regular meeting of the ABAG Finance and Personnel Committee is on November 16, 2017.

Submitted:

Brian Mayhew
Chief Financial Officer

Date Submitted: September 6, 2017

Date Posted: September 14, 2017

SUMMARY MINUTES (DRAFT)

ABAG Finance and Personnel Committee Meeting
Thursday, July 20, 2017
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG Finance and Personnel Committee Chair Karen Mitchoff, Supervisor, County of Contra Costa, called the meeting to order at about 5:00 p.m.

A quorum of the Committee was present at about 5:00 p.m.

Members Present

Karen Mitchoff, Supervisor, County of Contra Costa—*Chair*
Annie Campbell Washington, Councilmember, City of Oakland
Pradeep Gupta, Mayor, City of South San Francisco
Scott Haggerty, Supervisor, County of Alameda
Julie Pierce, Councilmember, City of Clayton—*Ex officio*
Greg Scharff, Mayor, City of Palo Alto

Members Absent

David Cortese, Supervisor, County of Santa Clara—*Ex officio*
Erin Hannigan, Supervisor, County of Solano
David Rabbitt, Supervisor, County of Sonoma—*Ex officio*

Staff Present

Steve Heminger, MTC Executive Director
Adrienne Weil, MTC General Counsel
Alix Bockelman, MTC Deputy Executive Director, Policy
Brian Mayhew, MTC Chief Financial Officer
Brad Paul, MTC Deputy Executive Director, Local Government Services
Courtney Ruby, MTC Finance and Administrative Services Director

2. PUBLIC COMMENT

There was no public comment.

3. COMMITTEE ANNOUNCEMENTS

There were no committee announcements.

Julie Pierce, ABAG President and Councilmember, City of Clayton, announced that she will appoint Cindy Chavez, Supervisor, County of Santa Clara to the ABAG Finance and Personnel Committee.

4. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF MEETING ON MAY 18, 2017

Chair Mitchoff recognized a motion by Julie Pierce, Councilmember, City of Clayton, which was seconded by Annie Campbell Washington, Councilmember, City of Oakland, to approve ABAG Finance and Personnel Committee summary minutes of meeting on May 18, 2017.

There was no discussion.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Mitchoff, Pierce, Scharff (5).

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Haggerty, Hannigan, Rabbitt (4).

The motion passed unanimously.

5. REPORT ON FINANCIAL REPORTS FOR MAY 2017

Courtney Ruby, Finance and Administrative Services Director, presented the Financial Reports for May 2017.

Members discussed the approved and budgeted overhead cost rate.

Chair Mitchoff recognized a motion by Pradeep Gupta, Mayor, City of South San Francisco, which was seconded by Pierce to accept the staff report on Financial Reports for May 2017.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Mitchoff, Pierce, Scharff (5).

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Haggerty, Hannigan, Rabbitt (4).

The motion passed unanimously.

6. REPORT ON CONTRACTS BETWEEN \$20,000 AND \$50,000

Courtney Ruby, Finance and Administrative Services Director, presented the report on contracts between \$20,000 and \$50,000 from May 2017 to June 2017, including contract or contract amendments, as follows: a contract amendment #1 with City and County of San Francisco to perform services for the BayRen PACE Program, adds \$40,000 to the contract amount, and the total contract amount is now \$513,017; and, a contract amendment #4 with CleaResult Consulting, Inc. to perform services for the BayRen Single Family Marketing Program, adds \$40,500 to the contract amount, and the total contract amount is now \$6,062,000.

Chair Mitchoff recognized a motion by Pierce, which was seconded by Annie Campbell Washington, Councilmember, City of Oakland, to accept the staff report on contracts between \$20,000 and \$50,000.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Mitchoff, Pierce, Scharff (5).

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Haggerty, Hannigan, Rabbitt (4).

The motion passed unanimously.

7. REQUEST ABAG EXECUTIVE BOARD APPROVE IN CONCEPT FORMATION OF A NEW CONDUIT ISSUER: ADVANCING CALIFORNIA FINANCE AUTHORITY (ACFA) AND DELEGATE TO THE ADMINISTRATIVE COMMITTEE EXECUTION OF A JOINT POWERS AGREEMENT FOR ACFA

Brad Paul, Deputy Executive Director, Local Government Services, reported on the formation of a new conduit issuer, Advancing California Finance Authority (ACFA), and requested delegation to the Administrative Committee the execution of Joint Powers Agreement for ACFA.

Brian Mayhew, Chief Financial Officer, reported on activities related to the formation of a new conduit issuer.

Members discussed setting up the new conduit issuer by October; marketing opportunities in September; structure of executive committee and governing board; scheduling regular meetings; rating agency reports; the relation between ABAG FAN and ACFA.

Chair Mitchoff recognized a motion by Greg Scharff, Mayor, City of Palo Alto, which was seconded by Scott Haggerty, Supervisor, County of Alameda, to recommend to the Executive Board approval in concept of a new conduit issuer, Advancing California Finance Authority (ACFA), and to delegate to the Administrative Committee execution of a Joint Powers Agreement for ACFA.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Haggerty, Mitchoff, Pierce, Scharff (6).

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Hannigan, Rabbitt (3).

The motion passed unanimously.

8. ADJOURNMENT

Chair Mitchoff adjourned the meeting of the Finance and Personnel Committee at about 5:34 p.m.

The next meeting of the Finance and Personnel Committee will be on September 21, 2017.

Submitted:

/s/ Fred Castro, Clerk of the Board

Date Submitted: August 23, 2017

Date Approved:

Summary Minutes

ABAG Finance and Personnel Committee Meeting

Thursday, July 20, 2017

Page 4

*For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or
FredC@abag.ca.gov.*

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: September 14, 2017
To: ABAG Finance and Personnel Committee
From: Executive Director
Subject: **ABAG Financial Statements—July 2017 (Unaudited)**

Attached for your information are the ABAG financial statements by fund. The schedules include the annual budget and actual expenses recorded against the budget for the month ending on July 31, 2017. The fiscal year 2017-18 budget is entered as approved by each Board. However, the detailed reports of revenue and grants are still works in progress. We will provide an updated quarterly version during the next committee meeting in November.

If you have any questions about this report, please contact Brian Mayhew at (415) 778-6730.

A handwritten signature in blue ink, appearing to read "Steve Heminger", is written over a horizontal line.

Steve Heminger

Attachment

Attachment: ABAG Budget to Actual Financial Statement as of July 2017 (Unaudited)

SH: se

Blank Page

Budget to Actual by Fund

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 401 ABAG Administration**REVENUE ACCOUNTS**

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Interest Income - Other	4846	0.00	71.00	0.00	-71.00
Membership Dues	4946	2,068,401.00	0.00	0.00	2,068,401.00
Gen Assembly/Conf Reg	4947	0.00	60.00	0.00	-60.00
Other Publications	4949	0.00	125.00	0.00	-125.00
Miscellaneous	4950	0.00	0.01	0.00	-0.01
Financial Services Revenue	4953	0.00	1,778.00	0.00	-1,778.00
Transfers In	8002	0.00	0.00	0.00	0.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	0.00	515.54	0.00	-515.54
Salaries - Gross	5001	0.00	8,366.46	0.00	-8,366.46
Benefits - Medical - Actives	5050	0.00	0.00	0.00	0.00
Benefits - Dental	5051	0.00	2,936.07	0.00	-2,936.07
Benefits - Vision	5052	0.00	0.00	0.00	0.00
Benefits - FICA	5060	0.00	425.83	0.00	-425.83
Benefits - Retirement	5062	1,286,000.00	107,941.23	0.00	1,178,058.77
Benefits - Medical - Retirees	5074	0.00	234.00	0.00	-234.00
Benefits	5099	0.00	361.01	0.00	-361.01
Meals	5105	10,701.54	0.00	0.00	10,701.54
Hosted Services	5702	0.00	308.57	0.00	-308.57
Commtee Member's Stipend	5703	80,000.00	4,800.00	0.00	75,200.00
Bank Service Charges	5750	0.00	2,129.34	0.00	-2,129.34
Miscellaneous	5755	0.00	70.00	0.00	-70.00
Transfers out	8000	691,699.46	0.00	0.00	691,699.46
Revenue:		2,068,401.00	2,034.01	0.00	2,066,366.99
Expenses:		2,068,401.00	128,088.05	0.00	1,940,312.95
Net:		0.00	-126,054.04	0.00	126,054.04

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

Budget to Actual by Program
(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 402
 Program: 1720 SF Estuary Part
REVENUE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Revenue - EPA	4018	19,627,754.00	77,562.30	0.00	19,550,191.70
Revenue - Ca Natural Res Agency	4223	0.00	83.72	0.00	-83.72
Revenue - DWR	4227	19,627,754.00	22,062.63	0.00	19,605,691.37
Rev - Delta Stewards Council	4228	0.00	1,196.96	0.00	-1,196.96
Revenue - Santa Clara Water	4351	0.00	10,260.88	0.00	-10,260.88
Revenue - Alameda County	4353	0.00	10,769.92	0.00	-10,769.92

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	1,580,677.00	71,716.60	0.00	1,508,960.40
Temporary Agency	5046	10,000.00	0.00	0.00	10,000.00
Payroll Allocations Suspense	5098	0.00	0.00	0.00	0.00
Benefits	5099	841,229.58	50,219.81	0.00	791,009.77
Travel Expense	5100	32,825.00	0.00	0.00	32,825.00
Meals	5105	800.00	0.00	0.00	800.00
Conference/Trning Exps & Fees	5130	14,500.00	0.00	0.00	14,500.00
Equipment Lease	5191	2,615.00	0.00	0.00	2,615.00
Office Supplies	5250	214.00	0.00	0.00	214.00
Mailing/Postage	5265	2,000.00	0.00	0.00	2,000.00
Memberships	5270	1,892.50	0.00	0.00	1,892.50
Subscriptions	5280	1,892.50	0.00	0.00	1,892.50
Consultant/Professional Fees	5300	35,532,096.03	0.00	0.00	35,532,096.03
Legal Fees	5340	67,936.00	0.00	0.00	67,936.00
Printing and Reproduction	5700	29,350.00	0.00	0.00	29,350.00
Commtee Member's Stipend	5703	12,500.00	0.00	0.00	12,500.00
Insurance	5751	5,000.00	0.00	0.00	5,000.00
Miscellaneous	5755	13,500.00	0.00	0.00	13,500.00
Direct Exp-Indirect Costs	5763	1,106,480.39	0.00	0.00	1,106,480.39
Revenue:		39,255,508.00	121,936.41	0.00	39,133,571.59
Expenses:		39,255,508.00	121,936.41	0.00	39,133,571.59
Net:		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018
 Program: 1721 BayRen
REVENUE ACCOUNTS

Budget to Actual by Program
(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Revenue - DOE	4020	5,620,710.33	861.55	0.00	5,619,848.78
Revenue - Cal Energy Com	4224	5,620,710.33	243.90	0.00	5,620,466.43
Revenue - CPUC	4225	5,620,710.33	166,259.63	0.00	5,454,450.70
Interest Income - Other	4846	0.00	182.48	0.00	-182.48

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	436,416.00	13,301.00	0.00	423,115.00
Temporary Agency	5046	500.00	0.00	0.00	500.00
Payroll Allocations Suspense	5098	0.00	0.00	0.00	0.00
Benefits	5099	232,258.74	9,314.08	0.00	222,944.66
Travel Expense	5100	10,500.00	0.00	0.00	10,500.00
Meals	5105	1,200.00	0.00	0.00	1,200.00
Conference/Trning Exps & Fees	5130	1,000.00	0.00	0.00	1,000.00
Communications	5150	100.00	0.00	0.00	100.00
Office Supplies	5250	300.00	0.00	0.00	300.00
Mailing/Postage	5265	600.00	0.00	0.00	600.00
Memberships	5270	5,700.00	0.00	0.00	5,700.00
Subscriptions	5280	5,700.00	0.00	0.00	5,700.00
Consultant/Professional Fees	5300	6,897,654.27	0.00	1,742,475.30	5,155,178.97
Legal Fees	5340	37,309.00	0.00	0.00	37,309.00
Single Family Incentive	5411	5,100,000.00	0.00	0.00	5,100,000.00
Multi Family Incentive	5412	3,750,000.00	144,750.00	3,582,000.00	23,250.00
Passthru/Contrib-Othr Agencies	5600	0.00	0.00	0.00	0.00
Printing and Reproduction	5700	800.00	0.00	0.00	800.00
Bank Service Charges	5750	0.00	182.48	0.00	-182.48
Miscellaneous	5755	76,600.00	0.00	0.00	76,600.00
Direct Exp-Indirect Costs	5763	305,492.99	0.00	0.00	305,492.99
Revenue:		16,862,130.99	167,547.56	0.00	16,694,583.43
Expenses:		16,862,131.00	167,547.56	5,324,475.30	11,370,108.14
Net:		-0.01	0.00	-5,324,475.30	5,324,475.29

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

Budget to Actual by Fund

(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 441 SF Bay Restoration

REVENUE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Interest Income - Other	4846	0.00	4.48	0.00	-4.48
Miscellaneous	4950	555,700.00	0.00	0.00	555,700.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	17,502.00	1,843.47	0.00	15,658.53
Benefits	5099	9,314.49	1,290.90	0.00	8,023.59
Travel Expense	5100	9,000.00	0.00	0.00	9,000.00
Office Supplies	5250	700.00	0.00	0.00	700.00
Consultant/Professional Fees	5300	489,432.04	0.00	0.00	489,432.04
Printing and Reproduction	5700	0.00	0.00	0.00	0.00
Committee Member's Stipend	5703	5,000.00	0.00	0.00	5,000.00
Bank Service Charges	5750	0.00	0.00	0.00	0.00
Insurance	5751	12,500.00	0.00	0.00	12,500.00
Direct Exp-Indirect Costs	5763	12,251.47	0.00	0.00	12,251.47

Revenue:	555,700.00	4.48	0.00	555,695.52
Expenses:	555,700.00	3,134.37	0.00	552,565.63
Net:	0.00	-3,129.89	0.00	3,129.89

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

Budget to Actual by Fund
(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 461 ABAG Power

REVENUE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Int/Disc - Fixed Agency Obligs	4800	12,000.00	0.00	0.00	12,000.00
Miscellaneous	4950	0.00	0.00	0.00	0.00
Sale of Energy - Gas	4954	7,438,552.00	620,160.00	0.00	6,818,392.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	132,501.55	9,154.17	0.00	123,347.38
Salaries - Gross	5001	0.00	91.94	0.00	-91.94
Benefits	5099	70,517.45	6,410.24	0.00	64,107.21
Travel Expense	5100	1,000.00	0.00	0.00	1,000.00
Meals	5105	1,200.00	0.00	0.00	1,200.00
Subscriptions	5280	1,100.00	0.00	0.00	1,100.00
Consultant/Professional Fees	5300	18,400.00	0.00	0.00	18,400.00
Legal Fees	5340	10,000.00	0.00	0.00	10,000.00
Billing Agent Fees	5403	900.00	0.00	7,200.00	-6,300.00
Scheduling Agent Fees	5404	16,800.00	0.00	33,600.00	-16,800.00
Cost of Energy Used - Gas	5414	2,739,186.00	0.00	480,000.00	2,259,186.00
PG&E Passthrough	5603	4,355,605.00	207,190.16	4,148,414.84	0.00
Bank Service Charges	5750	9,500.00	651.27	0.00	8,848.73
Miscellaneous	5755	300.00	0.00	0.00	300.00
Direct Exp-Indirect Costs	5763	92,942.00	0.00	0.00	92,942.00
Mailing/Postage	5906	600.00	0.00	0.00	600.00
Miscellaneous	5912	0.00	0.00	0.00	0.00
Revenue:		7,450,552.00	620,160.00	0.00	6,830,392.00
Expenses:		7,450,552.00	223,497.78	4,669,214.84	2,557,839.38
Net:		0.00	396,662.22	-4,669,214.84	4,272,552.62

Budget to Actual by Fund

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 471 ABAG Plan Administra**REVENUE ACCOUNTS**

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Earned Premium	4942	2,154,141.00	0.00	0.00	2,154,141.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	601,577.47	33,343.51	0.00	568,233.96
Salaries - Gross	5001	0.00	91.94	0.00	-91.94
Temporary	5003	0.00	212.09	0.00	-212.09
Temporary Agency	5046	0.00	0.00	0.00	0.00
Benefits	5099	320,159.53	23,348.91	0.00	296,810.62
Travel Expense	5100	7,500.00	0.00	0.00	7,500.00
Meals	5105	0.00	0.00	0.00	0.00
Conference/Trning Exps & Fees	5130	7,500.00	-516.86	0.00	8,016.86
Storage Rental	5184	0.00	0.00	0.00	0.00
Auto Expense	5202	2,250.00	0.00	0.00	2,250.00
Memberships	5270	1,750.00	0.00	0.00	1,750.00
Subscriptions	5280	1,750.00	0.00	0.00	1,750.00
Consultant/Professional Fees	5300	39,344.00	0.00	0.00	39,344.00
Legal Fees	5340	30,000.00	0.00	0.00	30,000.00
Claims Consultants	5402	645,839.00	0.00	0.00	645,839.00
Actuarial Consultants	5413	30,000.00	0.00	0.00	30,000.00
Commtee Member's Stipend	5703	7,500.00	0.00	0.00	7,500.00
Audit	5717	32,000.00	0.00	0.00	32,000.00
Miscellaneous	5755	5,000.00	20.00	0.00	4,980.00
Direct Exp-Indirect Costs	5763	421,971.00	0.00	0.00	421,971.00
Revenue:		2,154,141.00	0.00	0.00	2,154,141.00
Expenses:		2,154,141.00	56,499.59	0.00	2,097,641.41
Net:		0.00	-56,499.59	0.00	56,499.59

Budget to Actual by Fund

Ledger: GL
Report Date: 07/31/2017
Fiscal Year: 2018

(with Encumbrances)

Period: 1
Budget Version: WK
Budget Level: OB

Fund 472 ABAG Plan General Li

REVENUE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Int/Disc - Fixed Agency Oblig	4800	386,369.87	0.00	0.00	386,369.87
Int Income - LAIF	4801	0.00	673.94	0.00	-673.94
Interest Income - Other	4846	0.00	4.02	0.00	-4.02
Earned Premium	4942	4,497,000.00	0.00	0.00	4,497,000.00
Claims Tail Assessment	4943	-640,909.00	0.00	0.00	-640,909.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Claims Below Deductible	5400	0.00	0.00	0.00	0.00
Best Practices Services	5405	361,471.00	0.00	0.00	361,471.00
Sewer Loss Prevention	5406	85,000.00	0.00	0.00	85,000.00
Defensive Driver Training	5407	20,000.00	0.00	0.00	20,000.00
Risk Management Programs	5408	150,000.00	0.00	0.00	150,000.00
Risk Management Training	5410	98,000.00	0.00	0.00	98,000.00
Interest Expense-Arbitrage	5654	730.05	0.00	0.00	730.05
Insurance	5751	1,386,279.00	0.00	0.00	1,386,279.00
Revenue:		4,242,460.87	677.96	0.00	4,241,782.91
Expenses:		2,101,480.05	0.00	0.00	2,101,480.05
Net:		2,140,980.82	677.96	0.00	2,140,302.86

Budget to Actual by Fund

Ledger: GL
Report Date: 07/31/2017
Fiscal Year: 2018

(with Encumbrances)

Period: 1
Budget Version: WK
Budget Level: OB

Fund 473 ABAG Plan Property**REVENUE ACCOUNTS**

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Int/Disc - Fixed Agency Obligs	4800	4.00	0.00	0.00	4.00
Earned Premium	4942	1,432,364.00	0.00	0.00	1,432,364.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Adj to Claims Reserve	5401	350,000.00	0.00	0.00	350,000.00
Insurance	5751	1,195,925.00	0.00	0.00	1,195,925.00

Revenue:	1,432,368.00	0.00	0.00	1,432,368.00
Expenses:	1,545,925.00	0.00	0.00	1,545,925.00
Net:	-113,557.00	0.00	0.00	-113,557.00

Budget to Actual by Fund

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 481 Finance Authority No

REVENUE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Int Income - LAIF	4801	0.00	0.09	0.00	-0.09
Interest Income - CalTrust	4804	0.00	1,083.78	0.00	-1,083.78
Interest Income - Other	4846	20,000.00	0.00	0.00	20,000.00
Financial Services Revenue	4953	1,300,160.00	54,751.00	0.00	1,245,409.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	264,971.29	21,190.87	0.00	243,780.42
Salaries - Gross	5001	0.00	2,482.36	0.00	-2,482.36
Temporary	5003	0.00	3,286.81	0.00	-3,286.81
Temporary Agency	5046	40,000.00	4,986.80	0.00	35,013.20
Benefits	5099	141,017.71	14,838.98	0.00	126,178.73
Advertising/Public Awareness	5142	25,000.00	0.00	0.00	25,000.00
Storage Rental	5184	0.00	0.00	0.00	0.00
Subscriptions	5280	0.00	0.00	0.00	0.00
Consultant/Professional Fees	5300	421,250.00	2,223.00	0.00	419,027.00
Legal Fees	5340	133,511.00	0.00	0.00	133,511.00
Audit	5717	29,000.00	0.00	0.00	29,000.00
Bank Service Charges	5750	13,000.00	0.00	0.00	13,000.00
Miscellaneous	5755	22,000.00	0.00	0.00	22,000.00
Direct Exp-Indirect Costs	5763	204,174.00	0.00	0.00	204,174.00
Revenue:		1,320,160.00	55,834.87	0.00	1,264,325.13
Expenses:		1,293,924.00	49,008.82	0.00	1,244,915.18
Net:		26,236.00	6,826.05	0.00	19,409.95

Budget to Actual by Fund

Ledger: GL
 Report Date: 07/31/2017
 Fiscal Year: 2018

(with Encumbrances)

Period: 1
 Budget Version: WK
 Budget Level: OB

Fund 491 ABAG SHARP**REVENUE ACCOUNTS**

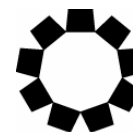
<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Interest Income - Other	4846	0.00	59.79	0.00	-59.79
Earned Premium	4942	98,164.00	0.00	0.00	98,164.00

EXPENSE ACCOUNTS

<u>Object Description</u>	<u>Object</u>	<u>Budget</u>	<u>Actual</u>	<u>Encumbrance</u>	<u>Balance</u>
Salaries	5000	25,120.74	447.89	0.00	24,672.85
Benefits	5099	13,369.26	313.64	0.00	13,055.62
Travel Expense	5100	250.00	0.00	0.00	250.00
Conference/Trning Exps & Fees	5130	500.00	0.00	0.00	500.00
Communications	5150	695.00	0.00	0.00	695.00
Mailing/Postage	5265	125.00	0.00	0.00	125.00
Consultant/Professional Fees	5300	500.00	0.00	0.00	500.00
Claims Below Deductible	5400	0.00	0.00	0.00	0.00
Claims Consultants	5402	16,791.00	0.00	0.00	16,791.00
Sewer Loss Prevention	5406	50,000.00	0.00	0.00	50,000.00
Actuarial Consultants	5413	8,500.00	0.00	0.00	8,500.00
Printing and Reproduction	5700	300.00	0.00	0.00	300.00
Audit	5717	6,000.00	0.00	0.00	6,000.00
Bank Service Charges	5750	0.00	20.00	0.00	-20.00
Insurance	5751	7,500.00	0.00	0.00	7,500.00
Miscellaneous	5755	750.00	0.00	0.00	750.00
Direct Exp-Indirect Costs	5763	17,763.00	0.00	0.00	17,763.00
Revenue:		98,164.00	59.79	0.00	98,104.21
Expenses:		148,164.00	781.53	0.00	147,382.47
Net:		-50,000.00	-721.74	0.00	-49,278.26

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: September 14, 2017

To: ABAG Finance and Personnel Committee

From: Executive Director

Subject: **Investment Report for July 2017**

In accordance with the adopted investment policy, attached are the July investment holdings for ABAG and all its operating units. The holdings are reported from the various July 31, 2017 bank statements and have not been reconciled to our general ledger. The attached report is a format of what to expect in the upcoming months.

Total funds under ABAG management are just under \$65 million. A breakdown by fund is as follows:

<u>Fund</u>	<u>Market Value (\$ million)</u>	<u>% of Total</u>
ABAG Admin	\$ 4.0	6.3%
ABAG BayRen	2.5	3.9%
ABAG Balance Foundation	0.1	0.1%
San Francisco Bay Trail	0.1	0.1%
ABAG Finance Corp	Less than 0.1	Less than 0.1%
SF Bay Restoration Measure A	0.1	0.2%
ABAG Power	2.8	4.4%
ABAG Plan	45.6	70.7%
ABAG Fin Auth Non Profit	4.3	6.7%
ABAG SHARP	4.9	7.6%
Portfolio Total	<u>\$ 64.4</u>	<u>100.0%</u>

78% of the current portfolio consists of assets owned by the Plan and SHARP operations. The Plan and SHARP securities will be transferred to a new administrator subject to a new Plan operating agreement. We expect the transfer to be completed by December 2017.

Funds placed in the Community Development Facility (CFDs) reserves are not included in the holdings because the statements are not available at this time. They will be included in the August Investment Report.

ABAG Finance and Personnel Committee
September 14, 2017
Investment Report for July 2017
Page 2 of 2

The portfolio consists mainly of Government Sponsored Enterprises (GSEs). The portfolio breakdown is as follows:

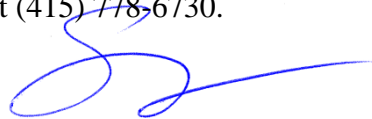
<u>Security Holding</u>	<u>Portfolio Composite</u>	<u>Policy Limits</u>
Fed Home Loan Bank	7.7%	No limit
Fed Home Loan Mortgage	6.2%	No limit
Fed National Mortgage Association	27.6%	No limit
Cash	10.2%	No limit
Gov't Pools	43.2%	No limit
CalTrust Medium-Term Fund	1.6%	No limit
Certificates of Deposit	3.5%	No limit
Portfolio Total	100.0%	

Liquidity Summary of ABAG Portfolio

Maturity	Market Value (\$ million)	% of Total Portfolio	Cumulative Minimum Level per ABAG Investment Policy
30 days or less	\$ 34.4	53%	10%
90 days or less	34.9 cumulative	54% cumulative	15%
1 year or less	34.9 cumulative	54% cumulative	30%
1-5 years	29.5	46%	

The weighted maturity of the ABAG portfolio is 494 days.

If there are any questions, please contact Brian Mayhew at (415) 778-6730.



Steve Heminger

SH:sw
Attachment

C:\Users\vcabri\Documents\ABAG_Investment_Report_July'2017_CoverMemo.docx

ABAG
Summary by Type
July 31, 2017
Grouped by Fund

Security Type	Number of Investments	Par Value	Market Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: ABAG ADMIN						
Passbook/Checking Accounts -4	2	1,831,820.07	1,831,820.07	2.84	0.003	1
Local Agency Investment Funds	1	2,209,028.93	2,209,028.93	3.43	1.051	1
Subtotal	3	4,040,849.00	4,040,849.00	6.27	0.576	1
Fund: ABAG BAYREN						
Passbook/Checking Accounts -4	1	2,525,173.89	2,525,173.89	3.92	0.100	1
Subtotal	1	2,525,173.89	2,525,173.89	3.92	0.100	1
Fund: ABAG BALANCE FOUNDATION						
Passbook/Checking Accounts -4	2	27,827.71	27,827.71	0.04	0.042	1
Local Agency Investment Funds	1	58,014.23	58,014.23	0.09	1.051	1
Subtotal	3	85,841.94	85,841.94	0.13	0.724	1
Fund: SAN FRANCISCO BAY TRAIL						
Passbook/Checking Accounts -4	1	82,833.04	82,833.04	0.13	0.010	1
Subtotal	1	82,833.04	82,833.04	0.13	0.010	1
Fund: ABAG FINANCE CORP						
Passbook/Checking Accounts -4	1	-13.92	-13.92 *	0.00	0.000	1
Subtotal	1	-13.92	-13.92	0.00	0.000	1
Fund: SF BAY RESTORATION MEAS A						
Passbook/Checking Accounts -4	1	94,861.84	94,861.84	0.15	0.070	1
Subtotal	1	94,861.84	94,861.84	0.15	0.070	1
Fund: ABAG POWER						
Passbook/Checking Accounts -4	1	308,305.90	308,305.90	0.48	0.000	1
Local Agency Investment Funds	1	2,535,468.04	2,535,468.04	3.94	1.051	1
Subtotal	2	2,843,773.94	2,843,773.94	4.42	0.937	1

**ABAG
Summary by Type
July 31, 2017
Grouped by Fund**

Security Type	Number of Investments	Par Value	Market Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: ABAG PLAN						
Passbook/Checking Accounts -4	1	385,776.28	385,776.28	0.60	0.010	1
Federal Agency Coupon Securities	9	27,000,000.00	26,728,392.50	41.51	1.372	1,107
Certificates of Deposit - Bank	6	1,500,000.00	1,501,929.00	2.33	1.275	460
Local Agency Investment Funds	1	16,926,922.40	16,926,922.40	26.29	1.051	1
Subtotal	17	45,812,698.68	45,543,020.18	70.73	1.239	668
Fund: ABAG FIN AUTH NONPROFIT						
Passbook/Checking Accounts -4	1	435,138.33	435,138.33	0.68	0.000	1
Mutual Funds - Custodial	1	1,031,253.29	1,029,213.18	1.60	1.380	1
Local Agency Investment Funds	1	2,847,854.31	2,847,854.31	4.42	1.051	1
Subtotal	3	4,314,245.93	4,312,205.82	6.70	1.024	1
Fund: ABAG SHARP						
Passbook/Checking Accounts -4	1	880,125.81	880,125.81	1.37	0.080	1
Certificates of Deposit - Bank	3	745,000.00	747,182.07	1.16	1.766	898
Local Agency Investment Funds	1	3,240,544.81	3,240,544.81	5.03	1.051	1
Subtotal	5	4,865,670.62	4,867,852.69	7.56	0.985	138
Total and Average	37	64,665,934.96	64,396,398.42	100.00	1.102	484 **

* Service charge reversed in August 2017

**Average Days to Maturity of the CALTRUST MEDIUM-TERM FUND is 807 days

The adjusted Average Days to Maturity of the ABAG Portfolio is 494 days

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: September 14, 2017
To: ABAG Finance and Personnel Committee
From: Executive Director
Subject: **Update on ABAG's Local Collaboration Programs**

Since the staff consolidation last July, our combined staff has been addressing numerous challenges, particularly regarding the reconciliation of past business practices at ABAG and its Local Collaboration Programs (LCPs) with the financial and management practices at MTC. Those LCPs are well served by this larger staff and the depth of experience, knowledge and resources it brings to ABAG programs. This memo provides some highlights of what has been happening with each of the ABAG Local Collaboration Programs since the transition began.

San Francisco Estuary Partnership

The biennial *State of the Estuary Conference* is coming up October 10-11 in Oakland. In the past, ABAG relied on several of its communications and administrative staff to organize the conference, from creating pre-conference invitations and on-line registration to staffing registration tables at the conference itself. This year, those former ABAG staff members are now part of a larger effort within MTC's Legislation and Public Affairs department that will support the conference.

SFEP launched a new website in June, incorporating more modern technology that allows content to be presented in new and improved ways. SFEP's Comprehensive Conservation and Management Plan (CCMP) for the San Francisco Bay Estuary, recently renamed the *Estuary Blueprint*, provides a foundation for the website. SFEP's signature projects and programs are organized under *Estuary Blueprint* goals. See: www.sfestuary.org

Recently, the Deputy Executive Director for Local Government Services attended an SFEP Implementation Committee meeting. The Committee works with Director Caitlin Sweeney to coordinate implementation of the *Estuary Blueprint*, help set priorities for the Partnership's work and approve annual work plans and budgets. It is made up of representatives from local, state and federal agencies, business, industry and environmental organizations.

Amy Hutzel, Deputy Director for the CA Coastal Conservancy, chairs the Committee. At the last meeting, staff reported on progress to date on a number of the *Estuary Blueprint's* 32 ACTIONS FOR A HEALTHY RESILIENT ESTUARY. They also reported on new and upcoming grants.

Update on ABAG's Local Collaboration Programs

September 14, 2017

Page 2

Finally, I have asked to meet with the entire SFEP staff soon to not only learn first hand about the important work they are doing, but also to learn about what additional work they might want to do if they had the authority and resources to do so in the future.

ABAG Finance Authority for Nonprofit Authority/Advancing California Finance Authority

As Brian Mayhew explained at the last Executive Board meeting, he and his finance staff are focused on two related efforts, organizing all records of the existing FAN portfolio and entering them into MTC's financial systems and setting up the new Finance Authority to be known as Advancing CA Finance Authority (ACFA).

FAN Portfolio. For the past few months, staff has been organizing binders for each of the 150 deals in FAN's existing portfolio and has consolidated them in one place. More recently, we contracted with Sperry Capital to review each file to verify completeness, including the most recently completed compliance reports, in order to identify any potential liabilities. Sperry is now creating a single, easy to read matrix that contains all relevant information on each deal and allows us to sort deals by type of transaction (public, private, affordable housing tax credit deal, CFD), project type (housing, schools, health clinics, infrastructure) and which transactions are the most likely candidates for refinancing. This work is almost done.

Setting up ACFA. Staff is also working on creating and vetting the various documents needed to set up ABAG's new finance authority (ACFA). These include JPA bylaws and a new governance structure (subset of ABAG's Finance & Personnel Committee), Issuance Guidelines, Fee Structure, Marketing Plan, etc.

FAN Executive Committee Chair Chuck Lomeli (Treasurer/Tax Collector/County Clerk for Solano County) recently met with Brian Mayhew, Brad Paul, Ken Moy and myself to go over staff's proposed plans for putting the FAN portfolio in run out mode and setting up the new ACFA. He committed to staying on as Chair of the FAN Executive Committee, the body that will also serve as ACFA's new Credit Committee.

Finally, as stated at the last Executive Board meeting, we remain committed to setting up ACFA by the end of October, as called for in the Contract for Services. This month, several staff members will be attending the California League of Cities conference in Sacramento, Sept. 13-14. ABAG will have an exhibit booth there that will highlight the benefits of staff consolidation as well as the services ABAG continues to provide local jurisdictions through ABAG's Local Collaboration Program's, including BayREN, POWER, SFEP and the soon to be ACFA. Our graphics staff prepared the materials for the ABAG booth. Please stop by if you are at the conference.

ABAG Publicly Owned Energy Resources

ABAG Publicly Owned Energy Resources (ABAG POWER) is a joint powers authority comprised of public entity members located within PG&E's service territory. It currently a) purchases natural gas on behalf of its members, b) secures pipeline capacity needed to transport the natural gas from its source to POWER members; c) bills members for both POWER's gas commodity charges and PG&E transport charges, and d) complies with relevant CPUC state regulations.

Update on ABAG's Local Collaboration Programs

September 14, 2017

Page 3

MTC's Deputy Executive Director for Local Government Services oversees the POWER program and staff. Over the past few months, he has become even more knowledgeable about how ABAG POWER buys natural gas for its members and how its twin goals of pricing stability and saving money play into those decisions.

Jerry Lahr, POWER's program director, has been working closely with our finance staff and contracting team to develop new procedures that allow him to continue to contract for natural gas in a timely way while also conforming with MTC's contracting practices. At a recent POWER board meeting, staff presented a draft memo discussing ways POWER's gas buying strategy might be modified to improve cost savings, maintain pricing stability and expand the program. A fuller discussion of this will take place at POWER's next board meeting on October 26th.

Bay Area Regional Energy Network

The Bay Area Regional Energy Network (BayREN) implements a portfolio of energy efficiency programs across the region. ABAG, through the Contract for Services, serves as the program administrator of this 10 member association that includes ABAG and nine Bay Area counties. Funding comes from the state's utility ratepayers under the auspices of the California Public Utilities Commission (CPUC). BayREN is one of two Regional Energy Networks in California.

BayREN staff has worked closely with MTC's finance department to better align its contracting procedures with MTC's. While it has been a challenge, given the complex set of stakeholders (CPUC, PG&E, nine counties, several cities, contractors) and programs (single family and multifamily rebate programs, technical assistance, financing/loans), we are making steady progress and have made sure there were no disruptions to their programs during this process.

BayREN continues to find ways to collaborate with other regional agencies and MTC departments. BayREN, together with BAAQMD and BARC, just completed a Solar Ordinance Toolkit. Outreach on this will commence in September. BayREN is also co-sponsoring a September workshop with the consolidated planning staff's resilience team called Energy Planning: Implementing Microgrids as a Resilience Strategy.

As part of its business plan, BayREN has been working to expand its on-bill water savings pilot program (formerly known as PAYS) to allow for greater participation across the region. In Windsor, where the program started, single family homes saw a 20% reduction in water usage, multifamily units saw a 30% reduction. Staff are now looking at ways that ACFA might play a role in the future as a result of pending state legislation (SB564 – the Water Bill Savings Act) that the Governor is likely to sign. Once we have thoroughly vetted this idea across program areas and with MTC's finance department, we will bring it back to the Executive Board for discussion and feedback.

ABAG Pooled Liability Assurance Network

Established in 1986, PLAN was initially staffed by contractors—a contract risk manager and third party claims administrator—with ABAG acting as fiscal agent. In 1989, ABAG brought the claims administration function in-house and hired a full time risk manager in the 1990's.

Several years ago, Risk Manager Jim Hill helped PLAN's board analyze the pros and cons of contracting out ABAG's claims adjustment department (five employees) to York Financial

Update on ABAG's Local Collaboration Programs

September 14, 2017

Page 4

Services. A number of those employees were offered jobs at York when the transition took place in mid-2014.

Two years ago, reacting to the uncertainty of consolidation, PLAN's board asked Jim Hill to solicit bids from private contractors to do the work of the remaining five PLAN staff. He received 5 proposals from third party administrators. Bickmore Financial scored highest on performance and experience, and their bid was \$500,000 less than using the consolidated staff.

At its June Board meeting, the PLAN board voted to negotiate with Bickmore to transition the work of the five remaining PLAN/consolidated staff to Bickmore over the next 180 days. They also stated that transferring fiscal sponsorship of PLAN over to Bickmore, if they decided to do that as well, might take a little longer.

Recently, staff spoke with San Bruno City Attorney Mark Zafferano, PLAN's board chair, and asked him to prepare a memo to us summarizing PLAN's decision, what steps had been taken so far, what steps remain and a timeline to complete this process. We also asked him to share with us PLAN's thinking on transitioning fiscal agent responsibilities and what that timeline looks like. He agreed to prepare such a memo in the next week or so.

There are currently five members of the consolidated staff serving PLAN's Risk Management Pool. Bickmore agreed to interview them, those interviews have been completed and staff is waiting to hear back. We also asked these five people to provide updated resumes to our HR department to be considered for other jobs within MTC that would be a good fit with their interests and experience. Our priority is placing all of these transitioned employees into gainful employment if they wish to do so.



Steve Heminger

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Date: September 14, 2017

To: ABAG Executive Board
ABAG Finance and Personnel Committee

From: Executive Director

Subject: **Revision to June 30, 2017 Amendment to Employment Agreement for Kenneth Moy to Add Dental and Vision Insurance**

Background

The Employment Agreement dated May 16, 1996 between the Association of Bay Area Governments (ABAG) and Kenneth K. Moy (Moy), with the First Amendment (amendment) dated June 30, 2017 and effective July 1, 2017, specified changes to the employment terms and duties for Moy following the execution of the Contract for Services (CS) between the Metropolitan Transportation Commission (MTC) and ABAG, the separation of all other ABAG employees, and the consolidation and employment of former ABAG operations and employees at MTC.

Revision to June 30, 2017 Amendment

Moy remains the only employee of ABAG and the amendment outlines his stated services and responsibilities with employment terminating on January 5, 2018.

Regarding Moy's benefits the amendment stated "Moy will continue to receive the benefits he received as an ABAG employee except that (a) ABAG will not be able to provide dental or vision benefits and (b) Moy's accrual of vacation and sick leave will be prorated at 75%."

It has been determined that ABAG dental and vision insurance plans will be continued through the term of Moy's employment for ABAG retirees, therefore it is now possible to provide Moy dental and vision insurance per ABAG benefit policy if the ABAG Executive Board desires to offer such insurance.

Revision to Amendment to Employment Agreement

September 14, 2017

Page 2

Recommended Action

The Finance and Personnel Committee is requested to recommend Executive Board authorization to revise the June 30, 2017 Amendment to the Employment Agreement for Kenneth K. Moy to add dental and vision insurance.



Steve Heminger