

SUMMARY MINUTES

ABAG Finance Committee Meeting
Thursday, March 15, 2018
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG Finance 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*
Pradeep Gupta, Councilmember, City of South San Francisco
Erin Hannigan, Supervisor, County of Solano
David Rabbitt, Supervisor, County of Sonoma—*Ex officio*

Teleconference Locations

Cindy Chavez, Supervisor, County of Santa Clara
David Cortese, Supervisor, County of Santa Clara

Members Absent

Annie Campbell Washington, Councilmember, City of Oakland
Scott Haggerty, Supervisor, County of Alameda
Julie Pierce, Councilmember, City of Clayton—*Ex officio*
Greg Scharff, Councilmember, City of Palo Alto—*Vice Chair*

Staff Present

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

2. PUBLIC COMMENT

There was no public comment.

3. COMMITTEE ANNOUNCEMENTS

There were no committee member announcements.

4. APPROVAL OF ABAG FINANCE COMMITTEE SUMMARY MINUTES OF MEETING ON JANUARY 18, 2018

Chair Mitchoff recognized a motion by David Rabbitt, Supervisor, County of Sonoma, which was seconded by Erin Hannigan, Supervisor, County of Solano, to approve the ABAG Finance Committee summary minutes of the meeting on January 18, 2018.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

5. REPORT ON FINANCIAL STATEMENTS FROM JULY TO DECEMBER 2017 (UNAUDITED)

Brian Mayhew, MTC Chief Financial Officer, gave the staff report on the Financial Statements from July to December 2017 (Unaudited). As of December 31, 2017, total revenue for the first six months of the fiscal year amounted to \$25.7 million, exceeding the expenses total of \$16.5 million. Grant revenue and the new SF Bay Restoration Authority parcel tax revenues are the largest revenue sources at 73% of total revenue.

Chair Mitchoff recognized a motion by Hannigan, which was seconded by Rabbitt, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

6. ABAG CONTRACTS AND PURCHASE REQUISITIONS BETWEEN \$20,000 AND \$50,000 FROM NOVEMBER TO DECEMBER 2017

Mayhew gave the staff report on contracts and purchase requisitions between \$20,000 and \$50,000 from November to December 2017.

Chair Mitchoff recognized a motion by Hannigan, which was seconded by Rabbitt, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

7. REPORT ON INVESTMENTS FOR JANUARY 2018

Mayhew gave the staff report on the Investment Report for January 2018. As of January 31, 2018, total funds under ABAG management are just under \$36 million.

Chair Mitchoff recognized a motion by Pradeep Gupta, Councilmember, City of South San Francisco, which was seconded by Hannigan, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

8. RECOMMEND REAUTHORIZATION OF ABAG INVESTMENT POLICY—ABAG RESOLUTION NO. 06-17

Mayhew gave the staff report on reauthorization of the ABAG Investment Policy.

Chair Mitchoff recognized a motion by Cindy Chavez, Supervisor, County of Santa Clara, which was seconded by Dave Cortese, Supervisor, County of Santa Clara, to accept the staff report and to recommend Executive Board reauthorization of the ABAG Investment Policy.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

9. REPORT ON ABAG FINANCE AUTHORITY FOR NONPROFIT CORPORATIONS

Brad Paul, MTC Deputy Executive Director, Local Government Services, gave the staff report on the ABAG Finance Authority for Nonprofit Corporations, including: the ABAG FAN Executive Committee approved the documents needed to launch Advancing California Finance Authority; the ACFA Governing Board met and approved the ACFA Bylaws; staff has been working on creating the ACFA website and has been working with consultants to identify borrowers in the FAN portfolio.

Chair Mitchoff recognized a motion by Rabbitt, which was seconded by Gupta, to accept the staff report.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

**10. RECOMMEND EXECUTIVE BOARD ADOPTION OF ABAG RESOLUTION NO. 01-18
ESTABLISHING BYLAWS OF THE ADVANCING CALIFORNIA FINANCE AUTHORITY**

Mayhew gave the staff report.

Chair Mitchoff recognized a motion by Hannigan, which was seconded by Rabbitt, to accept the staff report and to recommend Executive Board adoption of ABAG Resolution No. 01-18.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

**11. RECOMMEND GENERAL ASSEMBLY ADOPTION OF PROPOSED BUDGET AND
WORK PROGRAM FOR FISCAL YEAR 2018-2019**

Mayhew gave the staff report.

The Committee received and approved the staff report and [recommended] ABAG Executive Board recommendation of General Assembly adoption of the Proposed Budget and Work Program for Fiscal Year 2018-19.

Chair Mitchoff recognized a motion by Gupta, which was seconded by Cortese, to accept the staff report and to recommend that the Executive Board recommend General Assembly adoption of the proposed Budget and Work Program for Fiscal Year 2018-19.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Hannigan, Mitchoff, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Haggerty, Pierce, Scharff.

The motion passed unanimously.

Scott Haggerty, Supervisor, County of Alameda, and Julie Pierce, Councilmember, City of Clayton, joined the meeting.

12. AUTHORIZATION TO ENTER INTO A CONTRACT WITH PWC TO PROVIDE ANNUAL FINANCIAL AND COMPLIANCE AUDIT SERVICES FOR FIVE FISCAL YEARS IN THE AMOUNT OF \$402,000

Mayhew gave the staff report.

Chair Mitchoff recognized a motion by Hannigan, which was seconded by Pierce, to accept the staff report and to recommend Executive Board authorization to enter into a contract with PriceWaterhouseCoopers to provide annual financial and compliance audit services in the amount of \$402,000.

Members discussed the cost for audit services in the first and subsequent contract years.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Haggerty, Hannigan, Mitchoff, Pierce, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Scharff.

The motion passed unanimously.

Cortese and Chavez left the meeting.

Steve Heminger, MTC Executive Director, joined the meeting.

13. PROPOSED MODIFICATION OF MEMBERSHIP DUES

Mayhew gave the staff report.

Members discussed the following: the modification of membership dues; the dues modification will be limited to one year; staff will include the \$525,000 in additional revenue in the proposed budget and transfer that to MTC to cover staff consolidation costs; and staff will return with several options for dues changes, non-dues revenue enhancements, projection of future funding need/gaps, and comparison of other Metropolitan Planning Organizations (MPO) dues structure and amounts.

Members discussed the following: recommend that the Executive Board approve a Budget and Work Program for release to the ABAG General Assembly that includes \$527,010 in revenue from the one-year dues modification with a transfer of net revenue to MTC for staff consolidation costs and that staff update the Budget and Work Program to reflect the revenue from the one-year dues modification and the modified dues structure.

Chair Mitchoff recognized a motion by Pierce, which was seconded by Hannigan, to accept the staff report and to recommend that the Executive Board recommend General Assembly approval of the proposed modification of membership dues.

There was no discussion.

There was no public comment.

The aye votes were: Chavez, Cortese, Gupta, Haggerty, Hannigan, Mitchoff, Pierce, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Campbell Washington, Scharff.

The motion passed unanimously.

14. ADJOURNMENT

Chair Mitchoff adjourned the meeting of the Finance Committee at about 6:50 p.m.

The next meeting of the Finance Committee will be on May 17, 2018.

Submitted:

/s/ Fred Castro, Clerk of the Board

Date Submitted: April 4, 2018

Date Approved: May 17, 2018

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913 for fcastro@bayareametro.gov.