



**Santa Cruz County  
Regional Transportation Commission  
Measure D Taxpayer Oversight Committee**



**Minutes  
Thursday, May 28, 2020  
6:00 p.m.**

**Taxpayer Oversight Committee Members**

<b>Representing</b>	<b>Name</b>
Supervisory District 1	Janet Edwards, Vice Chair
Supervisory District 2	Michael Machado, Chair
Supervisory District 3	Phillip Hodsdon
Supervisory District 4	Carmen Herrera Mansir
Supervisory District 5	Todd Guin

1. Call to Order: Chair Michael Machado called the meeting to order at 6:00 p.m.
2. Introductions

**Members Present:**

Janet Edwards, District 1  
 Michael Machado, District 2  
 Phillip Hodsdon, District 3  
 Carmen Herrera Mansir, District 4

**Members Absent:**

Todd Guin, District 5

**Staff:**

Luis Mendez, Deputy Director  
 Rachel Moriconi, Senior Transportation Planner  
 Shannon Munz, Communications Specialist  
 Tracy New, Director of Finance and Budget

**Guests:**

Kirk Ance, Program Director, Community Bridges/Lift Line  
 Ray Cancino, CEO, Community Bridges  
 Marissa Duran, Finance Analyst, City of Watsonville  
 Murray Fontes, Principal Engineer, City of Watsonville  
 Italo Jimenez, Fiscal Officer, County of Santa Cruz  
 Daryl Jordan, Public Works Director, City of Scotts Valley  
 Johanna Lighthill, Community Member

Kailash Mozumder, Public Works Project Manager, City of Capitola  
Chris Schneider, Assistant Director of Public Works, City of Santa Cruz  
Becky Steinbrunner, Community Member  
Doug Underhill, Chief Finance Officer, Community Bridges  
John Urgo, Planning Director, METRO

3. Additions, deletions, or other changes to consent and regular agendas: None
4. Committee Member Oral Communications: None

### **CONSENT AGENDA**

*A motion (Machado/Mansir) was made to approve the consent agenda. The motion passed with members Edwards, Machado, Mansir, and Hodsdon voting in favor. Member Guin was absent.*

5. Approve Minutes of the May 13, 2019 Oversight Committee meeting
6. RTC Measure D Staff Contacts

### **REGULAR AGENDA**

7. Fiscal Year 2018/2019 Measure D Audits and Expenditure Reports

Rachel Moriconi, RTC Senior Transportation Planner, discussed the summary of the FY18/19 fiscal audits and expenditure reports from the Measure D recipient agencies, including the RTC, cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, the County of Santa Cruz, Santa Cruz Metropolitan Transit District, and Community Bridges/Lift Line. Funding agreements with recipient agencies require each agency receiving Measure D revenues to annually provide an expenditure report and audited financial statements showing how Measure D funds were spent in the prior fiscal year.

Rachel stated that the summary shows some of the jurisdictions did not spend 100% of their Measure D allocations for the past year but this is because many of them are carrying their funds forward for future fiscal years for several of their programs.

Tracy New, RTC Director of Finance and Budget, gave a general overview of the audits and said that all of the financial statements were stated on either a full accrual or a modified accrual basis and that they matched up well with the payments the RTC made with no large discrepancies. Most of the auditors also provided a statement on compliance with the ordinance and all financial statements complied with the measure.

Committee member Phillip Hodsdon had a question on long-term liability of the Measure D funding and said he would expect to see sources and uses of cash showing how much of the money is committed and how long into the future, but that was not included or transparent to him.

Rachel stated that in addition to the audited financials, each agency is required to provide a 5-year plan detailing how they will spend their funds. This is required by the ordinance and each jurisdiction must go through a public process to get its 5-year plan approved. Additionally, Rachel stated that the RTC can ask local agencies to include their future funding expenditures as a supplemental report in the future.

Phillip also had a question on language in the Santa Cruz County auditor's report. He stated that in most auditor's reports there are statements that unequivocally sign off on everything in the report. However, the Santa Cruz County report included language that stated the auditor did not examine everything and therefore can't say if everything they did examine is true.

Tracy stated that the county may have included the Measure D audit in their full county audit, and she will ask the county if there was some scope with their fiscal audit that wasn't the same as the other agencies that did a full audit of Measure D

Committee Member Carmen Herrera Mansir asked that the RTC get clarification from the county on the statement in their audit so that the committee can better understand its meaning.

Phillip asked that the auditors write a "clean bill of health" in their statements and state that either the audits are accurate and correct, or they aren't.

Becky Steinbrunner, community member, had a question on the county's Measure D street resurfacing projects. She said that there were areas that were supposed to be surfaced that were not done and others that were done twice. She asked how community members can ensure that work that was said would be done actually gets done?

Rachel said that it is possible that the resurfacing work had not been finished yet and she will follow up with the county to get affirmation on which locations are still outstanding. Rachel will also provide Becky with a contact at the county to discuss the projects.

Ray Cancino, CEO of Community Bridges, thanked the oversight committee for its due diligence. He gave an overview of how Community Bridges is using its Measure D funds - locating and getting a fleet facility, maintaining service during COVID-19, and ensuring that they are providing transportation to medical complexes for seniors. He also stated that in the current situation they are facing with potential state funds being eliminated, they are going to be able to retain the majority of their services going into next year because of Measure D.

## 8. Oversight Committee Annual Report

Shannon Munz, RTC Communications Specialist, discussed the oversight committee's requirement to prepare an annual report commenting on whether

expenditures conform to the provisions and requirements of the Measure D Ordinance.

Committee members said they liked how the report was done last year and would like to keep the same format with the committee providing a letter stating their purpose and findings and staff taking the lead on putting the rest of the report together.

*A motion (Mansir/Edwards) was made to have staff take the lead on generating the report keeping the same format as the FY 17/18 report and the committee providing a letter with its findings. The motion passed with members Edwards, Machado, Mansir, and Hodsdon voting in favor. Member Guin was absent.*

9. Measure D Project Updates: Information Item only

10. Measure D Revenue Forecasts

Tracy New, RTC Director of Budget and Finance, *provided an update on Measure D revenue forecasts. Tracy stated that there is currently not a lot of information on what the impact will be and how long the recovery will last.* In April, RTC's consultant Hinderliter, de Llamas & Associates (HdL) projected a 12% decline in FY19/20 revenues. More information will be available in August for the last quarter of the fiscal year that will give a better idea of the projections.

The county is projecting about a 20% reduction in revenues for FY20/21. *The RTC presented a proposed amended budget to its commission for Measure D that reflects the 20% decline. This is the number the RTC will use for its budget going forward. However, it will need to be looked at regularly and revised accordingly.*

11. Public Comment on Matters Not on the Agenda: None

12. Next meetings: No upcoming meeting date was identified.

13. Adjourn: Meeting adjourned at 7:27 p.m.

*Minutes prepared by: Shannon Munz*