Call to order at 1:36 p.m.

Members Present:
Commissioner Manu Koenig
Commissioner Bruce McPherson
Commissioner Alternate Lowel Hurst
Commissioner Alternate Andy Schiffrin

RTC Staff
Guy Preston  Tracy New
Luis Mendez  Rachel Moriconi
Yesenia Parra  Grace Blakeslee
Sarah Christensen

1. Introductions
   Administrative Services Officer, Yesenia Parra did a roll call

2. Additions or changes to consent and regular agenda
   Replacement pages for items 9 and 10 and handouts for item 10 were posted to the RTC website.

3. Oral communications

CONSENT AGENDA
(Schiffrin, McPherson)

Commissioner McPherson motioned, and Commissioner Alternate Schiffrin seconded the motion to approve the consent agenda.

Motion passed unanimously with Commissioners Koenig and McPherson, and Commissioner Alternates Hurst and Schiffrin voting “aye.”
4. Accepted Fiscal Year (FY) 2020-21 Q1 Credit Card Report and Q2 Warrants and Credit Card Reports FY2021/22 Q1&Q2 Warrants/Expenditures

5. Accepted monthly TDA revenue report

6. Accepted February 2022 Measure D Distribution Report

**REGULAR AGENDA**

7. Elect 2022 Chair and Vice-Chair - Oral report

   Commissioner Alternate Schiffrin motioned to nominate Chair Koenig to continue as Chair and for himself to continue as Vice-Chair. Commissioner McPherson motioned to accept the nomination and Commissioner Alternate Schiffrin seconded the motion.

   Motion passed unanimously with Commissioners McPherson and Koenig, and Commissioner Alternates Schiffrin and Hurst voting “aye.”

8. Measure D Potential Financing Options

   Sarah Christensen, David Leifer and Melissa Shick made a presentation on potential financing options for Measure D funds.

   Commissioners discussed: Commission preference to use the pay-as-you-go option and to only bond on the portion of funds needed for a project; interest rates increasing for bond money and the desire to ensure this concern is discussed further; ensuring that funds used for bonding come from the designated Measure D category only; the issue of capacity; ensuring that we do not bond unless we are certain there is not enough funding and that the project is “shovel ready”; that we know the cost of the project as to not borrow too much or too little; whether Measure D recipients could bond on their portion of Measure D or request that the RTC bond on their portion.

   In responses to questions from Commissioners Executive Director Guy Preston noted that the bond would be paid from the appropriate category and internal controls could include creating a separate budget to manage the bond funds.

   Mr. Leifer clarified the option for recipients to bond against their portion and that the next steps would be to complete the financial modeling.
9. Amendments to the Fiscal Year (FY) 2021-22 Budget & Work Program

Director of Budget and Finance Tracy New presented the staff report.

Commissioners discussed the challenge of understanding the budgeting of TDA funds in the current year and how it impacts the next fiscal year.

Commissioner Alternate Schiffrin moved and Commissioner McPherson seconded the staff recommendation to recommend that the Santa Cruz County Regional Transportation Commission (RTC) amend the fiscal year (FY) 2021-22 budget and work program to increase Transportation Development Act (TDA) funding and apportionments.

Motion passed unanimously with Commissioners McPherson and Koenig, and Commissioner Alternates Schiffrin and Hurst voting "aye."

10. Fiscal Year (FY) 2022-23 Proposed Budget

Director of Budget and Finance Tracy New presented the staff report.

Commissioners discussed RTC reserves being at the level approved and directed staff to be clearer when presenting to the Commission at their April meeting that the TDA reserve will be fully funded at the level approved by the Commission for FY22-23.

Commissioner Schiffrin moved, and Commissioner McPherson seconded the motion to approve the staff recommendation that the Budget and Administration/Personnel (B&A/P) Committee recommend that the Santa Cruz County Regional Transportation Commission (RTC):

1. Approve the proposed FY 2022-23 RTC and Measure D budgets
2. Accept the Transportation Development Act (TDA) revenue forecast for FY2022-23 provided by the County Auditor;
3. Accept the Measure D revenue forecast for FY 2022-23 provided by HDL Services;
4. Accept the 30-year revenue projection which incorporates the HDL forecast for FY 2022-23; and
5. Accept the 5-year revenue estimates for the Measure D recipients which incorporate the HDL forecast for FY 2022-23 and calculation of the revenue distribution for local jurisdictions with updated data (Attachment 5).
Motion passed unanimously with Commissioners McPherson, Koenig and Commissioner Alternates Schiffrin and Hurst voting “aye.”

11. Retiree Health Liability: Funding for the Future

Director of Budget and Finance Tracy New presented the staff report.

Commissioners thanked staff for being proactive.

Commissioner Alternate Schiffrin moved, and Commissioner McPherson seconded the staff recommendation that the Budget and Administration/Personnel Committee recommend that the Regional Transportation Commission approve establishing a qualified trust fund to pre-fund the Other Post Employment Benefit (OPEB) obligation and fund the trust with an initial payment of $81,972.

Motion passed unanimously with Commissioners Koenig and McPherson, and Commissioner Alternates Hurst and Schiffrin voting “aye.”

12. Pension Liability: Funding for The Future

Director of Budget and Finance Tracy New presented the staff report.

Commissioners thanked staff for their due diligence in handling these complicated financial obligations.

Commissioner Alternate Schiffrin moved, and Commissioner McPherson seconded the motion to approve the staff recommendation that the Budget and Administration/Personnel Committee recommend that the Regional Transportation Commission:

1. Continue making additional discretionary payments (ADP) toward the CalPERS Classic pension unfunded liability.
2. Establish a qualified trust fund to pre-fund pension obligations and fund the trust with an initial payment of $62,290.

Motion passed unanimously with Commissioners Koenig and McPherson, and Commissioner Alternates Hurst and Schiffrin voting “aye.”

13. Adjournment at 2:59

The next Budget and Administration/Personnel Committee meeting is scheduled for Thursday, April 14, 2022, at 1:30 p.m. via zoom
Respectfully Submitted,

Yesenia Parra
Administrative Services Officer