

April 21, 2022



**MINUTES OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE**

Assembly Bill 361, signed by the Governor of the State of California on September 16, 2021, amends the Ralph M. Brown Act to allow Board members, staff, and the public to participate remotely in meetings, without complying with traditional teleconference meeting rules.

**These minutes are supplemented by the audio recording that is posted online at:
<https://www.goldengate.org/district/board-of-directors/meeting-documents>.**

Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

A meeting of the Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) was held via audio conference, on Thursday, April 21, 2022, at 9:40 a.m., Chair Rabbitt presiding.

- (1) **Call to Order:** 9:40 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong.

Committee Members Present (7): Chair Rabbitt; Vice Chair Pahre; Directors Cochran, Giudice, Hernández and Mastin; President Theriault.

Committee Members Absent (1): Director Grosboll.

Other Directors Present (4): Directors Garbarino, Hill, Rodoni and Thier.

Committee of the Whole Members Present (11): Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rabbitt, Rodoni and Thier; Second Vice President Hill; First Vice President Cochran; President Theriault.

Committee of the Whole Members Absent (6): Directors Arnold, Conroy, Grosboll, Melgar, Snyder and Stefani.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Bus Transit Division

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Mona Babauta; Deputy General Manager/Ferry Division James Swindler; Deputy General Manager/Administration and Development Kellee Hopper; Director of Capital and Grant Programs Amy Frye; Director of Accounting Cody Smith; Director of Risk Management and Safety Kelli Vitale; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

Copies of all reports are available on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents> or upon request from the Office of the District Secretary.

(3) Ratification of Previous Actions by the Auditor-Controller [02:16 Minutes Mark on the Audio Recording]

PFM Senior Managing Consultant Lesley Murphy presented the Investment Report.

Chair Rabbitt expressed appreciation for the report. He commented that society is going through interesting economic times, and he understands many people are having difficulties with the rising inflation.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of March 1, 2022 through March 31, 2022;
- (ii) Ratify investments made during the period March 15, 2022 through April 11, 2022;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing April 11, 2022 and May 9, 2022 as well as the investment of all other funds not required to cover expenditures that may become available; and,
- (iv) Accept the Investment Report for March 2022.

**Action by the Board at its meeting of April 22, 2022 – Resolution
CONSENT CALENDAR**

AYES (11): Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rabbitt, Rodoni and Thier; Second Vice President Hill; First Vice President Cochran; President Theriault.

NOES (0): None.

ABSENT (6): Directors Arnold, Conroy, Grosboll, Melgar, Snyder and Stefani.

(4) **Authorize Budget Adjustment(s) and/or Transfer(s)**

No actions required authorization.

(5) **Authorize Actions Related to Grant Programs**

(a) **Authorize the Filing of Applications for Federal Transit Administration Formula Program and Surface Transportation Program Funding for Transit Capital Projects, Commit the Necessary Local Match for the Projects, and Assure Completion of the Projects [14:40 Minutes Mark on the Audio Recording]**

Director of Capital and Grant Programs Amy Frye presented the staff report.

[16:40 Minutes Mark on the Audio Recording]

Director Hernández expressed appreciation for the efforts of Ms. Frye and her entire Capital and Grant Programs staff.

Director Hill inquired about the projects to ‘Replace Conventional Over-the-Road Coaches,’ and ‘Replace Conventional Over-the-Road Coaches with Zero-Emission Buses (ZEBs).’

President Theriault commented that he recently learned of the challenges of implementing a charging infrastructure that requires Pacific Gas and Electric (PG&E) to bring the power to the charging infrastructure.

Director Hill commented that he understood others were looking at the possibly of working around PG&E.

Chair Rabbitt shared his experience in Sonoma County with PG&E because the utility handles energy distribution.

Director Garbarino commented about delays around implementing goals of using renewable fuels within her industry.

Mr. Mulligan responded to the Directors’ inquiries. He confirmed that this approval was to submit grant applications, and staff would seek Board approval of the actual procurements before any of the projects are implemented.

(b) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/HERNÁNDEZ** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize the General Manager or his designee to submit and execute grant

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applications, cooperative agreements, and certifications and assurances as required by the Federal Transit Administration for federal funding assistance for Sections 5307, 5309, 5337, and 5339 formula programs, and by the Federal Highway Administration (FHWA) for Surface Transportation Program funding to support transit projects, commit the necessary local match funds for the projects, and assure completion of the projects.

**Action by the Board at its meeting of April 22, 2022 – Resolution
NON-CONSENT CALENDAR**

AYES (10): Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rabbitt, Rodoni and Thier; First Vice President Cochran; President Theriault.

NOES (0): None.

ABSTENTION (1): Second Vice President Hill.

ABSENT (6): Directors Arnold, Conroy, Grosboll, Melgar, Snyder and Stefani.

(6) Receive the Independent Auditor’s Engagement Letter for the Annual Financial Audit & Single Audit for the Year Ending June 30, 2022, as Submitted by Eide Bailly, LLP [27:33 Minutes Mark on the Audio Recording]

Director of Accounting Cody Smith presented the staff report.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors receive the independent auditor’s engagement letter for services related to the annual financial audit and single audit for the year ending June 30, 2022, as submitted by Eide Bailly, LLP.

**Action by the Board at its meeting of April 22, 2022 – Resolution
NON-CONSENT CALENDAR**

AYES (11): Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rabbitt, Rodoni and Thier; Second Vice President Hill; First Vice President Cochran; President Theriault.

NOES (0): None.

ABSENT (6): Directors Arnold, Conroy, Grosboll, Melgar, Snyder and Stefani.

(7) Annual Review of the District’s 457(b) Deferred Compensation and 401(a) Defined Contribution Programs [30:49 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report.

(8) Status Report on the FY 21/22 Budget [36:30 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken. The FY 21/22 Adopted Budget is available on the District's website at: <https://www.goldengate.org/documents>. He pointed out the budget remains balanced as a result of one-time funding.

The following individual spoke under public comment: [41:06 Minutes Mark on the Audio Recording]

- David Pilpel, San Francisco Resident

Chair Rabbitt expressed appreciation for the federal funding received by the District. He expressed confidence that staff was assessing when the District's regular revenue streams would recover more fully.

(9) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Nine Months Ending March 2022) [44:31 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken. He reviewed Bridge, bus and ferry revenue figures on page 67, and how this revenue compares to prior years starting on page 73.

Director Giudice requested more information about why ferry ridership has improved.

Director Hill inquired about how much the ferry ridership has increased as a result of the special event ferry trips.

Mr. Wire responded to the Directors' inquiries.

(10) Monthly Review of Financial Statements (for Nine Months Ending March 2022) [52:59 Minutes Mark on the Audio Recording]

- (a) Statement of Revenue and Expenses**
(b) Statement of Capital Programs and Expenditures

Auditor-Controller Joseph Wire presented the staff reports, which were for informational purposes only and no actions were taken. He highlighted that the District is using one-time funding in the current fiscal year, and indicated that he thought it could last anywhere from two to three years. He said that staff would bring the FY 22/23 Budget to the Board next month. He stressed the importance of balancing revenue and expenses.

Chair Rabbitt asked for confirmation of the current difference between revenue and expenses each week. He expressed appreciation to Mr. Wire and his staff for tracking the District's finances.

Mr. Wire responded to the Chair's inquiry.

(11) **Review of the District's FY 21/22 Third Quarterly Report of Judgments or Settled Claims** [58:33 Minutes Mark on the Audio Recording]

Director of Risk Management and Safety Kelli Vitale presented the staff report, which was for informational purposes only and no action was taken.

Chair Rabbitt expressed appreciation for the work of Ms. Vitale and her staff.

(12) **Review of the Auditor-Controller's FY 21/22 Third Quarterly Report on Authorized Budget Adjustments and Budget Transfers Under the General Manager's Authority** [59:39 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken.

(13) **Review of the Auditor-Controller's FY 21/22 Third Quarterly Report on Procurement Actions Under the General Manager's Authority** [1:00:41 Hour Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken.

(14) **Closed Session** [1:01:44 Hour Mark on the Audio Recording]

Attorney Kimon Manolius, at the request of Chair Rabbitt, stated that the Committee would convene in Closed Session, as permitted by the Brown Act, to discuss the following matter listed on the Agenda as Item No. 14(a):

- (a) Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Report of Athens Administrators, Inc.

- (i) *Wayne Reed v. Golden Gate Bridge, Highway and Transportation District.*

President Theriault stated that he would leave the call after Ms. Vitale confirmed Mr. Reed was an Ironworker.

[1:03:00 Hour Mark on the Audio Recording]

After Closed Session, Chair Rabbitt called the meeting to order in Open Session with a quorum present. Attorney Manolius stated that the Committee had met in Closed Session, as permitted by the Brown Act, to discuss the matter listed under Closed Session, outlined above. He reported that the Committee gave the attorney appropriate guidance about how to handle the matter.

(15) **Public Comment**

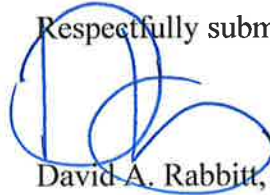
There were no public comments.

(16) **Adjournment** [1:03:40 Hour Mark on the Audio Recording]

All business having been concluded Directors COCHRAN/HILL moved and seconded that the meeting be adjourned at 10:58 a.m.

Carried

Respectfully submitted,



David A. Rabbitt, Chair
Finance-Auditing Committee

DAR:AMK:EIE:tnm