



July 27, 2023

MINUTES OF THE FINANCE-AUDITING COMMITTEE

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:

The Finance-Auditing Committee (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session at the United Irish Cultural Center, St. Francis Room, 2700 45th Avenue, San Francisco, CA, on Thursday, July 27, 2023, at 9:20 a.m., with Chair Rabbitt presiding. A remote audio option for public participation was available.

- (1) **Call to Order:** 9:20 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong. **[00:08 Minutes Mark on the Audio Recording]**

Committee Members Present (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Grosboll, Hernández and Rodoni; President Thériault.

Committee Members Absent (1): Director Cochran.

Other Directors Present (2): Directors Garbarino and Mastin.

Staff Present: General Manager Denis Mulligan; Acting Auditor-Controller Amy Frye; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Ferry Division Michael Hoffman; Deputy General Manager/Administration and Development Kellee Hopper; Deputy District Engineer John Eberle; 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** [01:08 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report,

(a) **Action by the Committee**

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approves the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of June 1, 2023, through June 30, 2023;
- (ii) Ratify investments made during the period June 13, 2023, through July 17, 2023;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between July 17, 2023, and August 14, 2023, 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 June 2023.

Action by the Board at its meeting of July 28, 2023 – Resolution
CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Grosboll, Hernández and Rodoni; President Thériault.

NOES (0): None.

ABSENT (1): Director Cochran.

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

No actions required authorization.

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

- (a) **Authorize Filing an Application with the Metropolitan Transportation Commission for FY 23/24 Transportation Development Act, State Transit Assistance and Regional Measure 2 Operating Funds to Support Bus, Ferry, and Paratransit Services** [02:43 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report. She announced that the District will receive about \$2 million in additional Regional Measure 3 funds for the

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District's bus service across the Richmond-San Rafael Bridge.

[04:06 Minutes Mark on the Audio Recording]

Director Mastin inquired about the District's history of receiving State Transit Assistance (STA) funds from Sonoma County.

Chair Rabbitt commented about Metropolitan Transportation Commission (MTC) discussions related to money and the scarcity of resources.

Mr. Mulligan responded to the inquiries. He stated that some years ago, the District negotiated an agreement with MTC and Sonoma County that the District would receive 25% of Transportation Development Act (TDA) funds and no STA funds.

(i) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager to file an application with the Metropolitan Transportation Commission (MTC) for FY 23/24 Transportation Development Act, State Transit Assistance, and Regional Measure 2 funds to support bus, ferry, and paratransit services in the amount of \$30,942,692. Approval of this action also authorizes the General Manager to file revisions to this application if projected funding amounts change during FY 23/24.

Action by the Board at its meeting of July 28, 2023 – Resolution
NON-CONSENT CALENDAR

AYES (7): Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Grosboll, Hernández and Rodoni; President Thériault.

NOES (0): None.

ABSENT (1): Director Cochran.

(6) Status Report on the FY 22/23 Budget [08:05 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report, which was for informational purposes only and no action was taken. She highlighted the District's finances (page 29) including its balanced budget.

[09:26 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel, San Francisco Resident (in person)

Chair Rabbitt expressed appreciation for the public comments.

- (7) **Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Twelve Months Ending June 2023)** [12:40 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report, which was for informational purposes only and no action was taken. She pointed out the traffic, ridership and associated revenue for the prior year (page 39) and charts (pages 45 and 46).

Mr. Mulligan highlighted that recreational and tourist travel has returned, spoke about bus and ferry ridership and encouraged the Board to make present day decisions that will allow flexibility for the long term. He commented that the District is meeting its objective to keep traffic on the Bridge flowing.

[16:49 Minutes Mark on the Audio Recording]

Chair Rabbitt commented about the results.

- (8) **Monthly Review of Financial Statements (for Twelve Months Ending June 2023)** [17:22 Minutes Mark on the Audio Recording]
(a) **Statement of Revenue and Expenses**
(b) **Statement of Capital Programs and Expenditures**

Acting Auditor-Controller Amy Frye presented the staff reports, which were for informational purposes only and no actions were taken. She reviewed FY 22/23 revenue, and expenses, and noted the difference between revenue and expenses is declining (page 47). Mr. Mulligan added that the expenses include the one-time payment to the Amalgamated Transit Union Pension.

Ms. Frye highlighted the Capital Financial Statements (page 57) and stated that the District spent about 100% of its capital budget.

- (9) **Review of the District's FY 22/23 Fourth Quarterly Report of Judgments or Settled Claims** [20:57 Minutes Mark on the Audio Recording]

Attorney Manolius presented the staff report, which was for informational purposes only and no action was taken.

- (10) **Review of the Auditor-Controller's FY 22/23 Fourth Quarterly Report on Authorized Budget Adjustments and Budget Transfers Under the General Manager's Authority** [21:24 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report, which was for informational purposes only and no action was taken.

[22:01 Minutes Mark on the Audio Recording]

Director Mastin inquired about the meaning of the Current Year Budget column (page 66).

Ms. Frye responded that she would provide Director Mastin with more information. She added that she and her team have been discussing the possibility of refining the report to make it clearer.

(11) Review of the Auditor-Controller's FY 22/23 Fourth Quarterly Report on Procurement Actions Under the General Manager's Authority [23:31 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Amy Frye presented the staff report, which was for informational purposes only and no action was taken.

Chair Rabbitt stated that he would like to take Public Comment out of order before Closed Session.

(12) Public Comment [24:36 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel, San Francisco Resident (in person)

Chair Rabbitt expressed appreciation for the public comments.

(13) Closed Session [27:43 Minutes 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 matters listed on the Agenda as Item Nos. 12(a) and 12(b):

- (a) Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Report of Hanson Bridgett, LLP
 - (i) *Branka Popowich v. Golden Gate Bridge, Highway and Transportation District, San Francisco Superior Court; Case Number CGC-22-599006.*
- (b) Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Report of Athens Administrators, Inc.
 - (i) *Terry Roberson v. Golden Gate Bridge, Highway and Transportation District.*

[29:02 Minutes Mark on the Closing Audio Recording]

After Closed Session, Chair Rabbitt called the meeting to order in Open Session with a quorum present. Attorney Kimon Manolius stated that the Committee had met in Closed Session, as permitted by the Brown Act, to discuss the above listed matters. He reported that the Committee gave guidance to legal counsel about how to proceed with both matters.

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(14) Adjournment [29:15 Minutes Mark on the Audio Recording]

All business having been concluded Directors RODONI/HERNÁNDEZ moved and seconded that the meeting be adjourned at 10:00 a.m.

Carried

Respectfully submitted,



David A. Rabbitt, Chair
Finance-Auditing Committee

DAR:AMK:EIE:tnm