



## **ALAMEDA-CONTRA COSTA TRANSIT DISTRICT**

### **DRAFT MINUTES**

#### **AC Transit Parcel Tax Fiscal Oversight Committee**

VIRTUAL MEETING

**Tuesday, November 9, 2021 at 8:30 AM**

**<https://bit.ly/3FaGokD>**

#### **MEMBERS OF THE OVERSIGHT COMMITTEE**

**JANET ABELSON**

**BEVERLY JOHNSON**

**MICHAEL GREGORY**

**STEWART CHEN**

**HENRY LEVY**

**IGOR TREGUB**

**MATT WILLIAMS**

#### **DISTRICT OFFICERS**

**MICHAEL A. HURSH, GENERAL MANAGER**

**JILL A. SPRAGUE, GENERAL COUNSEL**

**LINDA A. NEMEROFF, DISTRICT SECRETARY**

**CHRIS ANDRICHAK, CHIEF FINANCIAL OFFICER**

**1. CALL TO ORDER**

The Alameda-Contra Costa Parcel Tax Fiscal Oversight Committee held its annual meeting on Tuesday, November 9, 2021.

Members of the Committee participated via video conference from off-site locations.

The meeting was called to order at 8:38 a.m.

**2. ROLL CALL**

Member Williams joined the meeting at 9:05 a.m.

**Present** Chair Janet Abelson, Committee Member Beverly Johnson, Committee Member Michael Gregory, Committee Member Matt Williams, Committee Member Henry Levy, Committee Member Stewart Chen, Committee Member Igor Tregub

**3. SELECTION OF CHAIR**

Member Gregory welcomed the new members and encouraged the Committee to participate in the chair selection process. Assistant District Secretary Jelena Harada called for nominations for Chair. Member Chen nominated Member Abelson which was seconded by Member Levy. No other nominations were offered.

MOTION: CHEN/LEVY to appoint Janet Abelson as the Committee Chair. The motion carried by the following vote:

**Ayes:** Chair Abelson, Committee Member Johnson, Committee Member Gregory, Committee Member Levy, Committee Member Chen, Committee Member Tregub

**Absent:** Committee Member Williams

**4. PUBLIC COMMENT**

There were no public comments offered.

**5. CONSENT CALENDAR**

**5.A.** Consider approving the minutes of the Parcel Tax Fiscal Oversight Committee meeting of November 12, 2020. [21-503](#)

MOTION: JOHNSON/TREGUB to approve the minutes of the Parcel Tax Fiscal Oversight Committee meeting of November 12, 2020. The motion carried by the following vote:

**Ayes:** Chair Abelson, Committee Member Johnson, Committee Member Gregory, Committee Member Tregub

**Abstain:** Committee Member Levy, Committee Member Chen

**Absent:** Committee Member Williams

**6. DISCUSSION ITEMS**

**6.A.** Review the Measure VV/C1 Financial Statement and consider the [21-504](#)

adoption of Resolution No. 21-001 determining that the Measure VV/C1 funds collected during the 2020-21 Fiscal Year have been appropriated and expended in Special Transit Service District No. 1 for operation and maintenance activities.

- History of the District 1 - District 2 Allocation Methodology;
- Measure VV/C1 Agreed Upon Procedure, including an Hours and Miles Comparison for District 1/District 2;
- AC Transit Audited Financial Statements (includes the D1/D2 Report and Supplemental Schedule).

Chief Financial Officer Chris Andrlichak briefly presented the status of the District's finances and introduced the presenters. Ken Myers presented information on the allocation methodology and the allocation of revenue, subsidies, and expenses. Brad Schelle, an independent external auditor with Crow LLC, reviewed the Measure VV/C1 agreed-upon procedures applicable to the audit. Mr. Schelle explained that Measure VV/C1 funds collected during the 2020-21 Fiscal Year had been appropriated and expended in Special Transit Service District No. 1 for operation and maintenance activities as prescribed by the agreed-upon procedures.

Chair Abelson asked a about the allocation of funds between the two special districts. Staff explained the allocation methodology that applies to expenses, which are based on the service hours in each District and compared to the total number of hours, and also based on service miles in each District compared to total numbers of miles. Mr. Myers further referred to the established and agreed-upon formula and allocation methodology.

Chair Abelson asked about the paratransit division of expenses and whether it was based on the fact that all customer requests were fulfilled without a denial of service. Mr. Myers confirmed that to be true and that division of expenses for paratransit services was split between the two special districts based on the services reported by the paratransit contractor.

Member Chen asked a general question about the District's Budget that was addressed by staff. Chair Abelson commented that a portion of sales taxes collected from online commerce contributed positively to the District's revenues.

Member Tregub commented that total service hours, service miles, and hours decreased in the past fiscal year and asked if staff plans to address the issue. Though beyond the Committee's scope, General Manager Hursh addressed the question, explaining that the unavailability of bus operators and change in transportation needs have contributed to the change in service. He further clarified that staff is aggressively recruiting bus operators and gauging the transit needs to redesign the service network. Mr. Hursh referred the Committee to recent Board discussions about the established methodology for prioritizing lines in service restoration. Mr. Hursh also addressed a

question about the American Rescue Plan Act (ARPA) funds.

Member Levy commented about the Committee's charge related to the expenditures in Special District 1 and asked whether it has any input on determining the methodology of how allocations are divided between the two Special Districts. Chief Financial Officer Andrichak explained that the Committee is charged with approving the expenditure statement of collected property taxes in Special District 1 based on the agreed-upon procedures and established methodology. He further clarified that the reasoning for methodology and service planning would be in the purview of the AC Transit Board of Directors.

Director of Service Development and Planning Robert del Rosario briefly clarified how service hours and service miles are determined and allocated in each of the two special districts.

Member Levy commented on a typographical error on page 36 of the meeting packet which should read "gain" instead of "loss".

Member Chen commented on a taxpayers' parcel tax obligation to AC Transit. Staff clarified the definition of parcel tax as it related to AC Transit's revenues and agreed to add the clarification to the future meetings' materials.

MOTION: JOHNSON/GREGORY to adopt Resolution No. 21-001 determining that the Measure VV/C1 funds collected during the 2020-21 Fiscal Year have been appropriated and expended in Special Transit Service District No. 1 for operation and maintenance activities. The motion carried by the following vote:

**Ayes:** Chair Abelson, Committee Member Johnson, Committee Member Gregory, Committee Member Williams, Committee Member Levy, Committee Member Chen, Committee Member Tregub

**6.B. SUPPLEMENTAL INFORMATION PACKET (for reference only) [21-505](#)**

The Supplemental Information Packet was not under consideration by the Committee and is only intended to provide relevant background information.

**7. COMMITTEE/STAFF COMMENTS**

There were no comments offered.

**8. ADJOURNMENT**

There being no further business to come before the Committee the meeting adjourned at 9:24 a.m.

Respectfully submitted,  
/s/  
Jelena Harada  
Assistant District Secretary