



CITIZEN OVERSIGHT COMMITTEE

Measure C Citizen Oversight Committee Meeting Executive Minutes

Date: Thursday, June 8, 2023

Time: 4:00 PM

Place: COG Sequoia Conference Room
2035 Tulare St., Suite 201, Fresno, CA

Members Present:

Sal Petrucelli, Public-at-Large

Ronald Dressler, Public-at-Large-Via Zoom

Bill Jordan, League of Women Voters

Shannon Avilla, First Steps Recovery

Others Attending:

Denise DiBenedetto, Fresno County
Transportation Authority

Stephanie Maxwell, Fresno COG
Jake Martinez, Fresno COG

Sal Petrucelli called the meeting to order at 4:18

I. Presentations

About Presentations:

This portion of the meeting was reserved for persons wishing to address the Committee on items within its jurisdiction but not on this agenda.

None

II. Action Summary for April 13, 2023 Measure C Citizen Oversight Committee Meeting [Jake Martinez]

Ronald Dressler called the meeting to order at the April 13, 2023, meeting. Sal Petrucelli was not present.

Due to not having a quorum for the June 8, 2023 Measure C Citizen Oversight Committee Action Summary, no action was taken on this item.

III. Measure C Extension Local Transportation Program Agency Audit [Denise DiBenedetto]

Denise DiBenedetto reported on this item. Price Paige & Company Accountancy Corporation was retained by the Authority to perform the audit of finances on all local agencies receiving Measure C Extension revenue as required in the 2006 Measure C Extension Expenditure Plan. The firm had recently completed their audits of finances and submitted the final reports for fiscal year ending June 30, 2020, which had been provided in the committee packet. In summary, the firm stated that local agencies continue to adhere to the record keeping and reporting requirements, as well as proper expenditure of Measure C funds in accordance with provisions of the Measure C Transportation Sales Tax Extension. The City of Fowler was the only local agency still completing the audit process and those reports were to be presented to the COC at a future meeting.

This was an information item.

IV. Resolution 2023-02 Measure C Extension Program Project Allocations [Denise DiBenedetto]

Denise DiBenedetto reported on this item California Public Utilities Code Section 142257 provided that the 2006 Measure C Extension Expenditure Plan shall specify the amount and the formula by which the retail transactions and use tax shall be allocated to each participating jurisdiction for Local Transportation Purposes. The 2006 Measure C Extension Expenditure Plan created a number of transportation programs to be implemented by participating jurisdictions with Measure C funds passed through from the Authority to the jurisdictions.

Consistent with adopted policy for administration of the funds, the Authority requested and received the annual estimate of Measure C funds from the Fresno County Auditor-Controller/Treasurer-Tax Collector. Based upon the annual estimate of total street miles from the California Department of Transportation, the annual estimate of population from the California Department of Finance, and the Measure C allocation formula as dictated by the 2006 Measure C Extension Expenditure Plan, the attached estimate of available funds and the annual apportionments had been calculated and included in Resolution 2023-02.

This was an information item.

V. Fiscal Year 2023-24 Proposed Measure C Original Budget [Denise DiBenedetto]

Denise DiBenedetto reported on this item. This proposed 2023-24 Original Measure C budget had no estimated sales tax revenue during the fiscal year due to the expiration of the original Measure C sales tax levy in 2007. However, it is estimated to gain \$1,100,000 in interest revenue which was used to fund the remaining urban and rural projects. Since there was to be no sales tax revenue from the original Measure, the related administration was funded with administrative reserves which are on deposit with the Auditor-Controller/Treasurer-Tax Collector. This reserve accumulated over the 20 years of the original Measure C to fund the transition to an extension of the tax measure, or to finance Authority close-out costs if the Measure were to have expired. The use of these funds to cover the administrative costs of on-going Measure C projects was consistent with the intended use of these accumulated funds. The proposed method of financing the administrative budget had been reviewed and accepted by the Authority Legal Counsel and the Auditor-Controller/Treasurer-Tax Collector's office.

The overall budget for the original Measure C was very similar to last year's budget with no new efforts planned. The proposed administrative salary, benefits and administrative support and services cost budget request was \$261,150. This proposed administrative budget reflects 50% of the salary and benefits of one employee (the Program Manager) with the remaining 50% paid out of the Measure C Extension Program. The services and supplies that pertain to the Original Measure C Program have also been split by a 70/30 percentage between the Original (30%) and Extension (70%). Salary and Benefits reflect the currently approved salary structure.

This was an information item.

VI. Fiscal Year 2023-24 Proposed Measure C Extension Budget [Denise DiBenedetto]

Denise DiBenedetto reported on this item. This proposed 2023-24 Measure C Extension budget included estimated sales tax revenue and interest earnings to be received during the 2023-24 fiscal year of \$118,921,541, a \$3.8 million increase over last year's approved budget. This revenue estimate reflects a moderately conservative 1% projected increase over 2022-23 actual revenues due to heightened level of uncertainty regarding the economic outlook over the near-term. The 2022-23 budget reflected a 3% increase in revenues. The budget included approximately \$6.5 million in interest income.

This Measure C Extension revenue projection was the result of a collaborative effort between the Fresno County Auditor-Controller/Treasurer-Tax Collector's office and the Authority's financial advisor, Montague DeRose Associates, which took into consideration local and Statewide financial expectations.

The proposed administrative salary and benefits budget request was \$578,571. This proposed budget reflects 100 % of the cost of two employees (the Executive Director and the Contracts Administrator) and 50% of the cost of one employee (the Program Manager) at the currently approved salary structures plus 6% potential salary increase. The remaining 50% of the Program Manager's salary was funded through the original Measure C. Measure C enabling legislation limits salary and benefits to 1% of total revenues.

The total proposed Administrative Budget, which included employee salary and benefits as well as other administrative costs and unallocated reserves, is \$1,116,245. The Administrative Budget shares all office expenses and support services needed to fulfill the administrative duties of all three employees at a 70% Extension/30% Original split. As with prior years, the balance of the 1% of total revenues allowed for salary and benefit costs by the enabling legislation is recommended to be reserved to build up funds to finance agency closedown if required, or transition to another Extension in 2027.

The 2023/24 Extension budget also proposes Services and Supplies expenditures in the amount of \$797,084. This budget category provided the services needed to deliver the overall Measure C Program and for the most part reflects actions previously approved by the Board. Where appropriate, Services and Supplies expenses are prorated between the FCTA Original Measure and the Extension to reflect actual service to each. Examples of services funded in this category include:

- Legislative Advocate

- Financial Advisor
- Outreach Program
- Self Help County Organization membership dues
- Accounting & Legal Services
- Audit expense

The remainder of the proposed Extension budget was similar to the 2022-23 budget and consists of pass-through funding to participating jurisdictions for all categories of projects and programs identified as eligible pass-through activities.

The proposed budget also identified the undistributed reserve allocations for programs or projects that are not ready to proceed at this time. These funds continued to be retained by the Authority in separate accounts until reimbursement agreements are approved and claims submitted.

This was an information item.

VII. FY23-24 Proposed Measure C Regional Transportation Mitigation Fee (RTMF) Budget [Denise DiBenedetto]

The RTMF revenue projection was the result of a collaborative effort between the Fresno County Auditor-Controller/Treasurer-Tax Collector’s office and RTMF Agency staff, which took into consideration projected development activity in Fresno County during the 2023-24 fiscal year. The fee income identified in this budget was the result of applying the RTMF fee schedule, as updated by the Board in January 2020, to the development activity estimated to take place during the upcoming fiscal year.

There were no proposed administrative salaries, benefits, or support costs proposed in this budget because the fee is calculated and collected by the RTMF Agency. Costs associated with RTMF Administration are also covered by a separate fee imposed and collected by the RTMF Agency.

The RTMF fund currently has an uncommitted fund balance of \$16,910,486 in cash and the budget under consideration today proposes to continue repaying the RTMF loans by transferring this current fiscal year’s uncommitted fund balance to Measure C in 2023-24. Annual payback included prior year uncommitted fund balance minus the anticipated Administrative Expenditures. This payback process continued annually to service the outstanding loan balance. The current outstanding loan balance as of March 31, 2023, is \$82,161,719 which reflects the total prior years payback of \$29,783,511 against the loan principal and accumulated interest. This budget was the continuation of that repayment effort.

The 2023-24 RTMF budget identifies an estimated \$5,500,000 in fee collection revenue based on recent development activity in Fresno County and \$125,950 in interest earnings. The final category of resources available to deliver the RTMF construction program in 2023-24 is \$26,278,050 in Measure C Loans that are estimated to be needed to service ongoing construction contracts in the coming year. These funds are available, if needed, to pay costs as they come due for on-going contracts were added to the outstanding \$82,161,719 Measure C loan identified above to be amortized over the remaining life of the fee program. Combining all of the above listed resources, results in a total of \$48,814,486 available to deliver the 2023-24 RTMF Program.

The expenditure side of the proposed 2023-24 RTMF Budget identifies \$31,904,000 for design, R/W and construction of projects, \$15,000 for Services and Supplies which is made up of an estimated \$5,000 for legal services and \$10,000 for Consultant Services to update the Strategic Implementation Plan as needed to reflect the changes resulting from the anticipated 2023 Measure C Expenditure Plan update and \$16,895,486 in Measure C RTMF Loan payback program.

To date, nearly \$54 million of RTMF funds have been collected to help fund critical Measure C infrastructure projects.

This was an information Item.

VIII. Measure C COC Local Agency Budget form review [Jake Martinez]

Jake Martinez reported on this item. Each fiscal year the Citizen Oversight Committee (COC) asked all local agencies receiving Measure C Local Transportation Pass-Through Funds to complete a reporting of how they expect to spend the current year's Measure C Local Program allocations. The request went out to local agencies via a form that staff updates and emails out each year.

To date, the following required Local Agency Budget Forms were completed and returned for COC review by local agencies:

- City of Firebaugh

This was an information item. Due to not having a quorum for the June 8th, 2023 Measure C Citizen Oversight Committee Action Summary, no action was taken on this item.

IX. Items from Staff [Jake Martinez]

A. Upcoming 2023 COC meeting dates - please reserve these dates from 4-6:00 pm

B. Items for the next agenda

C. Upcoming Meetings/Events of other related Boards/Committees

June

- Fresno COG Transportation Technical Committee - Friday, June 9, 2023 at 8:30 AM in-person at Fresno Council of Governments Sequoia Conference Room
- Fresno COG Policy Advisory Committee - Friday, June 9, 2023 at 10:00 AM in-person at Fresno Council of Governments Sequoia Conference Room
- Fresno COG Policy Board - Thursday, June 29, 2023 at 5:30 PM in-person at Fresno Council of Governments Sequoia Conference Room

July

- Fresno COG Transportation Technical Committee - Friday, July 14, 2023 at 8:30 AM in-person at Fresno Council of Governments Sequoia Conference Room
- Fresno COG Policy Advisory Committee - Friday, July 14, 2023 at 10:00 AM in-person at Fresno Council of Governments Sequoia Conference Room
- Fresno COG Policy Board - Thursday, July 27, 2023 at 5:30 PM in-person at Fresno Council of Governments Sequoia Conference Room

FCTA

- June 14, 2023 at 9:00 AM in-person at the Plaza Building Ballroom
- August 16, 2023 at 9:00 AM in-person with location to be determined.

Adjourned

A motion was made by Louis Herrera and seconded by Bill Jordan to adjourn the meeting at 6:09 pm. A vote was called for and the motion carried.