

Measure Q Oversight Committee AGENDA

Group: Measure Q Oversight Committee
Members: Lopez, Miller, Mucha, Wessendorf, Williams
Date: March 28, 2017
Time: 3:00 p.m.
Place: 19 Upper Ragsdale Dr., Suite 100, Monterey 93940

1. Call to Order

2. Public Comment on Matters Not on the Agenda

Members of the public may address the Committee on any matter related to the jurisdiction of the Committee but not on the agenda. There is a time limit of not more than three minutes for each speaker. The Committee will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time, either individually, through staff, or on a subsequent agenda.

3. Announcements

4. Consent Agenda

4-1. Approve and recommend August 16, 2016 minutes to the MST board.
(Deanna Smith) (pg. 3)

5. New Business

5-1. Review Final Measure Q funded expenditures from MST's FY 2016
Audited Financial Report. (Enclosure) (Hunter Harvath) (pg. 5)

5-2. Discuss Form 700 and AB1234 Ethics Requirements (Enclosure Form 700)
(Alex Lorca) (pg. 13)

6. Staff and Committee Member Comments or Questions

6-1. GI Josie- Victims of Sexual Assault Discussion (Sid Williams)

7. Adjourn.

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Monterey-Salinas Transit Administration Building at 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 during normal business hours.

Upon request, MST will provide written agenda materials in appropriate alternative formats, including disability-related modifications or accommodations, auxiliary aids, or services to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least three working days prior to the meeting. Requests should be sent to MST – c/o Clerk to the Board, 19 Upper Ragsdale Dr., Suite 200, Monterey, CA 93940 or clerk@mst.org.

Measure Q Oversight Committee
Monterey-Salinas Transit
19 Upper Ragsdale Dr., Suite 100

Minutes
August 16, 2016

- Present:** Juan Pablo Lopez Salinas Urbanized
Sid Williams Seaside-Marina-Monterey Urbanized
Susan Miller Non-urbanized
Kathy Merritt County of Monterey Unincorporated
Harry Mucha Taxpayer's Association
Kazuko Wessendorf Mobility Advisory Committee
Laurie Crosby Mobility Advisory Committee
- Absent:** None
- Staff:** Carl Sedoryk, General Manager/CEO; Hunter Harvath, Asst. GM of Finance & Administration; Alex Lorca, General Counsel; Deanna Smith, Deputy Secretary
- Public:** MacGregor Eddy

1. Call to Order

Chairperson Sid Williams called the meeting to order at 4:02 p.m.

2. Public Comment on Matters Not on the Agenda

No public comments.

3. Announcements

Mr. Harvath announced that MST staff member Beronica Carriedo is staffing the Monterey County Stand Down Event on behalf of MST and the Measure Q Committee in support of our local veterans.

4. Consent Agenda

- 4-1. Approve and recommend March 11, 2016, minutes to the MST board.

Mr. Lopez made a motion to approve the minutes and was seconded by Ms. Wessendorf. The motion carried unanimously, with Kathy Merritt absent.

5. New Business

- 5-1. Review committee member terms of office.

Mr. Harvath stated that Laurie Crosby and Kathy Merritt's terms have expired. He requested feedback on their interest to continue serving on the committee. Ms. Crosby stated that she would like to continue to serve. As Kathy Merritt was absent from the meeting, MST staff will request appointments at the next MST board meeting. All committee members will serve three-year terms after their initial terms have expired.

- 5-2. Review Measure Q funded expenditures planned as a part of MST's FY 2017 Budget as adopted by MST Board of Directors.

Mr. Harvath presented the FY 2017 RIDES budget and the Measure Q funded portion of the MST fixed route budget and answered committee member questions.

Kathy Merritt arrived at 4:17 p.m.

Ms. Merritt requested information on outreach to South County residents. She suggested that the King City Chamber of Commerce, Senior Center and hospitals are good locations to post information or provide outreach. Mr. Harvath stated that he would provide printed materials promoting MST's services at these locations. He informed the committee of the upcoming South County Marketing program that will specifically target all of the communities in South County.

Committee members appreciated the level of budget detail presented and had no objections to planned expenditures.

Public Comment - none.

6. Staff and Committee Member Comments or Questions

Committee members requested larger font for the budget in the future.

Mr. Harvath asked Ms. Merritt if she was interested in continuing to serve on the Measure Q Oversight Committee and she stated that she would like to continue.

7. Adjourn

There being no further business, Chairperson Williams adjourned the meeting at 4:54 p.m.

Prepared by:



Deanna Smith, Deputy Secretary

To: Measure Q Oversight Committee
From: Hunter Harvath, Assistant General Manager of Finance & Administration
Subject: Receive FY 2016 Comprehensive Annual Financial Report (CAFR)

RECOMMENDATION:

1. Receive the agency's FY 2016 Comprehensive Annual Financial Report (Enclosure), which contains information regarding Measure Q-funded revenues & expenses.
2. Provide an opinion to the MST Board of Directors that Measure Q funds were spent on eligible expenses during FY 2016.

FISCAL IMPACT:

For FY 2016, a total of \$8,536,576 in Measure Q sales tax revenues were received. Of that amount, \$3,127,522 was used for the MST RIDES paratransit program for persons with disabilities, \$3,822,117 was spent on other MST programs for Measure Q-eligible populations (seniors, veterans and persons with disabilities), and \$1,586,937 was placed into reserves to ensure continuation of these vital services in case of future economic recession(s) that would temporarily reduce Measure Q sales tax revenues.

POLICY IMPLICATIONS:

As a part of the Measure Q ballot measure, an oversight committee was established to review those expenditures that have been funded through this sales tax. This committee is charged with reporting to the MST Board of Directors that these funds have been expended on programs and services that benefit seniors, veterans and persons with disabilities. A Comprehensive Annual Financial Report (Attachment 1) is prepared each year in association with the agency's audit process, posted on the MST website, and submitted to the State of California as well as to the Government Finance Officers Association of the United States and Canada for review and evaluation. This document identifies audited sales tax revenue figures to assist your committee in its review of Measure Q expenditures.

DISCUSSION:

To provide transparency for the general public and local, state and federal stakeholders, MST each year prepares and posts on its website a CAFR, which can be downloaded and printed directly from the site. A primary component of this document is the annual audit, which is conducted by an outside accounting firm to attest to the state

of the agency's finances. For the first time, this fiscal year's audit contains documentation of a full year of receipt of sales tax revenues generated by Measure Q. After Measure Q was approved by voters in November 2014, these funds began to be collected on April 1, 2015. FY 2016 (July 1, 2015 through June 30, 2016) represents the first full year that Measure Q funds have been received by the agency and audited by an outside accounting firm.

For FY 2016, MST received \$8,536,576 in Measure Q sales tax revenues. In that regard, for FY 2016 Measure Q funds were spent on the following major expenditure categories:

\$2,985,056	MST RIDES Paratransit Program Activities (less fare revenue)
\$ 549,797	Senior Shuttles
\$ 147,428	Senior/RIDES Client Taxi Vouchers
\$ 388,310	State Board of Equalization Fees to Collect Measure Q sales taxes
\$ 383,976	Salaries & Benefits – Mobility Management Staff
\$ 94,769	Building Rents (Mobility Management Center, Bus Stop Shop, Alliance on Aging – Salinas) and other miscellaneous
\$ 74,588	Professional & Technical Services (e.g., Measure Q Implementation Study Consultant)
\$ 64,189	<u>Materials & Supplies (including fuel for senior shuttles, printing)</u>
\$4,688,113	Subtotal Major Expenditures – 100% Measure Q-eligible

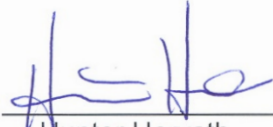
After these expenditures, the remaining \$3,848,463 in Measure Q revenues were eligible to be allocated to MST's fixed-route operations to support bus services that partially benefit seniors, veterans and persons with disabilities. In MST's most recent fixed-route passenger survey, conducted April 28th through May 2nd, 2016, 7.1% of respondents stated that they were seniors (65 and older). As such, 7.1% of MST's expenses on traditional fixed-route transit services can be attributed to serving seniors and are, thus, eligible for Measure Q funds. Given that there are also veterans and disabled persons using MST's fixed-route services who are not seniors, staff conservatively rounded up the multiplier to 8% to account for a portion of these non-senior Measure Q-eligible passengers.

Using this methodology, \$2,261,528 in Measure Q funds were attributed across the many line items of expenditures (see Attachment) that are not 100% eligible for Measure Q funds. The remaining \$1,586,937 in Measure Q funds were placed in reserve in case of future economic recessions that would result in reduced sales tax revenues. With a Measure Q reserve fund, seniors, veterans and persons with disabilities would be somewhat insulated from future service reductions and/or fare increases that could result from temporary economic recessions. As many of these services are life-sustaining (e.g., dialysis treatments, doctor visits) and otherwise essential, having this reserve in place would help seniors, veterans and persons with disabilities served by MST weather economic downturns or recessions that may occur over the 15-year life of the Measure Q sales tax.

Enclosure: MST FY 2016 Comprehensive Annual Financial Report

Attachment: MST FY 2016 Budget Detail

PREPARED BY:



Hunter Harvath

REVIEWED BY:



Carl G. Sedoryk

Blank Page

Monterey - Salinas Transit

Measure Q FY2016

	FY2016 TOTAL ACTUAL	FY2016 TOTAL YEAR ALLOCATION	FY2016 TOTAL YEAR MEASURE Q-FR
REVENUE			
CASH REVENUE			
PASSENGER FARES	(5,409,054)	-	(5,409,054)
TOTAL REVENUE	(5,409,054)	-	(5,409,054)
EXPENSES			
LABOR			
COACH OPERATORS WAGES	-	451,067	451,067
COACH OPERATOR OVERTIME	-	84,338	84,338
OTHER WAGES	235,040	429,518	664,559
OTHER OVERTIME	580	17,519	18,099
TOTAL LABOR	235,620	982,443	1,218,063
BENEFITS			
PERS	21,348	51,617	72,965
INSURANCE	65,822	207,586	273,408
IN LIEU INSURANCE	4,200	9,736	13,936
PAYROLL TAXES	4,895	21,422	26,318
WORKERS COMPENSATION EXPENSE	13,941	58,616	72,557
HOLIDAYS	11,472	47,608	59,080
PERSONAL LEAVE	25,304	108,873	134,177
UNIFORMS	1,374	4,851	6,224
AUTO ALLOWANCE	-	1,502	1,502
TUITION REIMBURSEMENT	-	169	169
SAFETY AWARD & EE RECOGNITION	-	2,833	2,833
TOTAL BENEFITS	148,356	514,812	663,168
ADVERTISING & MARKETING			
MARKETING SERVICES	-	6,587	6,587
TROLLEY MARKETING	-	-	-
TOTAL ADVERTISING & MARKETING	-	6,587	6,587
PROFESSIONAL & TECHNICAL			
PHYSICAL EXAMS	50	443	493
BANK SERVICES	-	8,143	8,143
AUDITORS	-	2,368	2,368
ARMORED CAR	-	3,199	3,199
LEGAL SERVICES	-	5,674	5,674
CONTRACT NEGOTIATION	-	482	482
DIRECTORS FEES	-	962	962
BROCHURE DELIVERY	-	93	93
GRANT FUNDED CONSULTING	-	-	-
CONSULTING	67,664	8,401	76,065
RECRUITING SERVICES	-	989	989
INSPECTION	-	-	-

	FY2016 TOTAL ACTUAL	FY2016 TOTAL YEAR ALLOCATION	FY2016 TOTAL YEAR MEASURE Q-FR
DRUG TESTING	-	530	530
OTHER PROFESSIONAL	6,874	1,705	8,579
ADMIN COST RECOVERY	-	(888)	(888)
TOTAL PROFESSIONAL & TECHNICAL	74,588	32,100	106,688
OUTSIDE LABOR			
CUSTODIAL SERVICES	-	10,416	10,416
SECURITY SERVICES	-	9,179	9,179
BUS PAINTING	-	528	528
HAZARDOUS WASTE DISPOSAL	-	5,428	5,428
LAUNDRY	-	5,105	5,105
SHOP EQUIPMENT REPAIR	-	1,050	1,050
SUPPORT VEHICLES REPAIR	-	3,215	3,215
TOWING	-	2,166	2,166
BUS WASHER MAINTENANCE	-	144	144
ELECTRICAL, PLUMBING , ROOFING	-	3,060	3,060
COPIER & OFFICE EQUIP REPAIR	-	728	728
COMPUTER MAINTENANCE	-	20,632	20,632
SEAT REPAIRS	-	152	152
BUILDING AND EQUIPMENT MAINT	-	6,080	6,080
TELEPHONE EQUIPMENT REPAIR	-	157	157
PARTS CLEANING	-	1,099	1,099
RADIO REPAIRS	-	424	424
OTHER OUTSIDE LABOR	-	6,112	6,112
MAINTENANCE SHOP	-	1,809	1,809
GROUNDS MAINTENANCE	-	3,765	3,765
PEST CONTROL	-	439	439
TEST UNDERGROUND TANKS	-	523	523
FIRE EXTINGUISHER SERVICE	-	246	246
TOTAL OUTSIDE LABOR	-	82,456	82,456
FUEL, GAS AND TIRES			
DIESEL - REVENUE	57,535	87,551	145,086
LUBRICANTS - REVENUE	-	13,914	13,914
GAS	-	3,063	3,063
FUEL PURCHASES - MV	-	31,557	31,557
TIRES & TUBES	-	17,268	17,268
TOTAL FUEL & LUBRICANTS	57,535	153,353	210,888
MATERIALS AND SUPPLIES			
MARKETING SUPPLIES	-	793	793
BUS ADVERTISING EXPENSE	-	-	-
PRINTING	3,026	1,238	4,264
RIDERS GUIDES	-	2,666	2,666
MAPS	-	598	598
TICKETS	-	-	-
PASSES	-	1,655	1,655
BROCHURES	-	1,527	1,527
TRANSFERS	-	-	-
MISC MARKETING	-	20	20

	FY2016 TOTAL ACTUAL	FY2016 TOTAL YEAR ALLOCATION	FY2016 TOTAL YEAR MEASURE Q-FR
HAZARDOUS MATERIAL CONTAINMENT	-	937	937
COMPUTER SUPPLIES	-	3,501	3,501
SAFETY & PROTECTIVE SUPPLIES	-	1,004	1,004
TROLLEY SUPPLIES	-	-	-
BUILDING CLEANING SUPPLIES	-	3,260	3,260
TRANSIT CENTER/PLAZA SUPPLIES	-	977	977
SHELTER & BUS STOP SUPPLIES	-	5,284	5,284
OTHER SUPPLIES	-	659	659
SHOP SUPPLIES	-	6,076	6,076
OFFICE SUPPLIES	3,628	5,474	9,102
POSTAGE & EXPRESS SERVICE	-	1,148	1,148
COPY MACHINE PAPER	-	97	97
REVENUE VEHICLE PARTS	-	72,259	72,259
SUPPORT VEHICLE PARTS	-	560	560
FAREBOX PARTS	-	1,579	1,579
BUS WASHER SUPPLIES	-	374	374
WARRANTY LABOR & PARTS	-	(1,783)	(1,783)
FUEL IS./DISPENSER PARTS	-	252	252
TOTAL MATERIALS AND SUPPLIES	6,654	110,155	116,809
UTILITIES			
WATER & FIRE PROTECTION	-	1,920	1,920
TELEPHONE LINE SERVICE	-	7,577	7,577
PG&E	-	13,024	13,024
ALARM SERVICE	-	1,001	1,001
DISPOSAL & SEWER	-	2,807	2,807
CELLULAR PHONES/PAGERS	-	3,233	3,233
TOTAL UTILITIES	-	29,562	29,562
INSURANCE			
PHYSICAL DAMAGE EXPENSE	-	209	209
RECOVERIES PHYSICAL DAMAGES	-	(36)	(36)
LIABILITY EXPENSE	-	30,212	30,212
OTHER INSURANCE PREMIUMS	-	3,664	3,664
TOTAL INSURANCE	-	34,048	34,048
TAXES			
PROPERTY TAX	-	489	489
VEHICLE LICENSE & REGISTRATION	-	4	4
DIESEL SALES TAX	-	8,144	8,144
DIESEL FUEL USE TAX	-	573	573
GASOLINE TAX	-	112	112
OTHER TAXES	-	1,192	1,192
TOTAL TAXES	-	10,514	10,514
PURCHASED TRANSPORTATION			
PURCHASED TRANSPORTATION	549,797	282,719	832,516
TAXI VOUCHERS	147,428	-	147,428
TOTAL PURCHASED TRANSPORTATION	697,225	282,719	979,943

	FY2016 TOTAL ACTUAL	FY2016 TOTAL YEAR ALLOCATION	FY2016 TOTAL YEAR MEASURE Q-FR
MISCELLANEOUS EXPENSES			
SUBSCRIPTIONS	349	261	610
APTA DUES	-	2,592	2,592
CTA DUES	-	944	944
CHAMBER AND OTHER DUES	-	4,034	4,034
CAL ACT DUES	-	64	64
STAFF TRAVEL	-	6,819	6,819
STAFF TRAINING	375	1,175	1,550
BOARD TRAVEL	-	481	481
AD & PROMOTION MEDIA	785	1,417	2,202
LEGAL ANNOUNCEMENTS	-	874	874
AD MEDIA RECRUITING	-	-	-
PERMITS	-	224	224
SALES TAX REVENUE EXPENSE	245,845	-	245,845
OTHER MISC. EXPENSE	-	(5,576)	(5,576)
INTERFUND TRANSFERS	-	-	-
TOTAL MISCELLANEOUS EXPENSES	247,354	13,309	260,663
OTHER AGENCY EXPENSES			
PASS THROUGH/BEHALF OF OTHERS	-	-	-
TOTAL OTHER AGENCY EXPENSES	-	-	-
INTEREST EXPENSE			
INTEREST EXPENSE	-	3,535	3,535
TOTAL INTEREST EXPENSE	-	3,535	3,535
LEASES & RENTALS			
ANTENNA/ SATELLITE RENTAL	-	143	143
RESTROOM - MONTEREY	-	-	-
EQUIPMENT RENTALS	-	1,493	1,493
POSTAGE METER RENTAL	-	493	493
BUILDING RENT	93,259	3,805	97,064
TOTAL LEASES & RENTALS	93,259	5,934	99,193
TOTAL OPERATING EXPENSES	1,560,590	2,261,527	3,822,117
OPERATING (SURPLUS) DEFICIT	(3,848,464)	2,261,527	(1,586,937)

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name *(Do not use acronyms)*

Division, Board, Department, District, if applicable Your Position

► If filing for multiple positions, list below or on an attachment. *(Do not use acronyms)*

Agency: _____ Position: _____

2. Jurisdiction of Office *(Check at least one box)*

- | | |
|---|---|
| <input type="checkbox"/> State | <input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction) |
| <input type="checkbox"/> Multi-County _____ | <input type="checkbox"/> County of _____ |
| <input type="checkbox"/> City of _____ | <input type="checkbox"/> Other _____ |

3. Type of Statement *(Check at least one box)*

- | | |
|---|--|
| <input type="checkbox"/> Annual: The period covered is January 1, 2016, through December 31, 2016. | <input type="checkbox"/> Leaving Office: Date Left ____/____/_____
<i>(Check one)</i> |
| -or-
The period covered is ____/____/_____, through December 31, 2016. | <input type="radio"/> The period covered is January 1, 2016, through the date of leaving office. |
| <input type="checkbox"/> Assuming Office: Date assumed ____/____/_____
-or- | <input type="radio"/> The period covered is ____/____/_____, through the date of leaving office. |
| <input type="checkbox"/> Candidate: Election year _____ and office sought, if different than Part 1: _____ | |

4. Schedule Summary (must complete) ► Total number of pages including this cover page: _____

Schedules attached

- | | |
|--|--|
| <input type="checkbox"/> Schedule A-1 - Investments – schedule attached | <input type="checkbox"/> Schedule C - Income, Loans, & Business Positions – schedule attached |
| <input type="checkbox"/> Schedule A-2 - Investments – schedule attached | <input type="checkbox"/> Schedule D - Income – Gifts – schedule attached |
| <input type="checkbox"/> Schedule B - Real Property – schedule attached | <input type="checkbox"/> Schedule E - Income – Gifts – Travel Payments – schedule attached |

- or-**
 None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER E-MAIL ADDRESS
 ()

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____ Signature _____
(month, day, year) (File the originally signed statement with your filing official.)