STAFF REPORT

MEETING DATE:	**June 16, 2025**
SUBJECT:	**Approve Action Minutes of the April 14, 2025, Fiscal and Policy Committee Meeting**
AGENDA ITEM:	**4**
STAFF CONTACT:	**Amy Lindsey, Executive Assistant**

STAFF RECOMMENDATION:

It is recommended that the Fiscal and Policy Committee approve action minutes of the April 14, 2025, Fiscal and Policy Committee meeting.

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Sean Tiedgen, AICP, Executive Director

Attachment: Action Minutes of the April 14, 2025, Fiscal and Policy Committee Meeting

UNAPPROVED ACTION MINUTES

SHASTA REGIONAL TRANSPORTATION AGENCY
FISCAL & POLICY COMMITTEE
Monday, April 14, 2025
9:00 a.m., or as soon thereafter as may be heard
1255 East Street, Suite 202, Salmon Room

(Note: The following minutes are not intended to serve as a transcript or verbatim record of the proceedings of the Shasta Regional Transportation Agency Fiscal & Policy Committee, but rather as a record of the meeting time, place, attendance, and actions taken, if any.)

The following SRTA staff were present: Executive Director Sean Tiedgen, Chief Fiscal Officer Jessica Carlson, Senior Transportation Planner Michael Kuker, and Executive Assistant Amy Lindsey.

1. **Call to Order/Roll Call**
   Chair Watkins called the meeting to order at 9:00 a.m.

   Committee members, Audette and Plummer, were present.

2. **Staff Introductions**

3. **Public Comment Period**
   No comments were received during the public comment period.

4. **Approve Action Minutes of the December 9, 2024, Fiscal and Policy Committee Meeting**

   By motion made and seconded (Audette/Plummer), the minutes passed unanimously.

5. **Review and Discuss Proposed April Board Agenda Item #16: Approve SRTA Fiscal Year 2025/26 Overall Work Program (OWP)**
   It is recommended that the board of directors:
   1. Approve the FY 2025/26 Overall Work Program, pursuant to Resolution 25-04 (Attachment A);
   2. Authorize the executive director to sign the FY 2025/26 Overall Work Program Agreement and certifications and assurances that all requirements have been met, including future amendments to these documents as needed;
   3. Authorize the executive director to make administrative edits to the OWP to correct errors and address further comments from state and federal partners as part of the approval process; and
   4. Authorize the executive director to sign the FY 2025/26 Indirect Cost Allocation Plan (ICAP) submission certification.

   Senior Transportation Planner Michael Kuker and Executive Director Sean Tiedgen presented the staff recommendations and answered Fiscal & Policy Committee questions.

   Mr. Plummer asked about Work Element 700.99 Indirect Cost Allocation Plan and the estimated total of $1,248,816. Chief Fiscal Officer (CFO) Jessica Carlson stated the work element is a budgeted item comprised of anticipated indirect activities and carryover indirect activities, with some activities going back as far as five years. Caltrans requires a budgeted amount for the submittal of the Indirect Cost Allocation Plan. Mr. Plummer asked if staff is concerned about a federal government cap, which is 10-15 percent, when our Indirect costs are closer to 25 percent? CFO Carlson stated that if we were to have a cap, self-imposed or imposed by the federal government or any other entity, the Indirect Cost Allocation Plan is a rollover plan so any of those indirect costs that were not reimbursed in prior fiscal years would roll over to next year's following rate and so on. Eventually, SRTA would recoup the costs over time.

Ms. Carlson stated the indirect cost rate for FY 2025/26 is an estimate. It has not been submitted to Caltrans, and it has not been approved. In October, OWP Amendment 1 will reflect actual costs, including the approved ICAP rate, and will provide a more accurate finance picture for the OWP.

The Fiscal & Policy Committee concurs with the staff recommendations.

6. **Receive Consultant Presentation and Review and Discuss Proposed April Board Agenda Item #14: Receive Triennial Performance Audit Reports for Fiscal Years 2021/22 through 2023/24 for SRTA and RABA**

Chief Fiscal Officer Jessica Carlson and Moore and Associates, Senior Associate Kathy Chambers gave a presentation on the Triennial Performance Audit Reports for Fiscal Years 2021/22 through 2023/24 for SRTA and RABA and answered Fiscal & Policy Committee questions.

Ms. Chambers stated that there were two Triennial Performance Audit compliance findings and one functional finding for SRTA.

Compliance Finding 1:
- Finding:
  - SRTA's FY 2021/22 and FY 2022/23 TDA fiscal audits were not completed within 12 months of the end of the fiscal year.
- Recommendation:
  - Ensure fiscal audits are submitted within 12 months of the end of the fiscal year.
- Action required:
  - SRTA has already addressed most of the issues that led to the late audits.
  - No further action is needed as long as future deadlines continue to be met.
  - FY 2023/24 fiscal audit deadline is June 30, 2025.

Compliance Finding 2:
- Finding:
  - State Controller Financial Transaction Reports for FY 2021/22 and FY 2022/23 were submitted after the January 31 deadline.
- Recommendation:
  - Ensure the RTPA's State Controller Financial Transaction Reports are submitted prior to the stated deadline.
- Action required:
  - SRTA has already addressed the issues that led to the late submittals.
  - FY 2023/24 report was submitted ahead of the deadline.
  - No further action needed as long as deadlines continue to be met.

Functional Finding 1:
- Finding:
  - SRTA did not implement one of its recommendations from the prior audit pertaining to operator productivity oversight.
- Recommendation:
  - Include a productivity assessment as part of TDA claim form
- Action required:

- Add audit recommendation status form to the TDA claim.
- Add key performance metric form to the TDA claim.
- Forms should be added during the next claims process (FY 2025/26 for FY 2026/27).

Ms. Chambers stated that RABA had one functional finding.

<u>RABA Functional Finding 1</u>:

- Finding:
  - RABA would benefit from a dedicated financial-based position (not shared with the city of Redding).
- Recommendation:
  - Consider adding a financially focused position under RABA to assist with grants management and other financial tasks.
- Action required:
  - Determine the key functions of this position as well as its placement within the RABA reporting structure.
  - Identify the potential for this position to support other roles.
  - Implement during FY 2025/26 if funding is available.

Board member Plummer asked if there were any consequences for filing late forms? Did SRTA incur any fines or fees? Ms. Carlson stated that SRTA did not incur any fines or fees. Ms. Carlson stated that staff thought audited figures were required in order to submit the Financial Transaction Report. Staff learned this is not the case. Draft documents may be provided, with final audited documents later. Staff will submit draft reports if final audited numbers are not available by the deadline.

Board member Audette asked about the Functional Findings for RABA. Mr. Tiedgen explained that staff's understanding is the RABA finance position is split between Redding and RABA activities. The report suggests that if the position was 100 percent RABA focused, they would be able to better handle the increased required yearly reporting requirements for existing federal and state transit grants and apply for other grants. RABA did recently hire a transportation planner who could possibly help with grant applications and management.

Review only, no motion made.

7. **<u>Review and Discuss Proposed April Board Agenda Item #7-5: Receive Findings of Apportionment Report for the Fiscal Year 2025/26 Local Transportation Fund (LTF)</u>**

Chief Fiscal Officer Jessica Carlson presented the Findings of Apportionment Report for the Fiscal Year 2025/26 Local Transportation Fund (LTF) and answered Fiscal & Policy Committee questions.

Board member Audette asked if SRTA can require RABA to include performance reports to be the CTSA provider? Mr. Tiedgen stated that if desired by the board, SRTA can issue an MOU or subrecipient agreement that states all of the expectations as the CTSA provider.

Board member Plummer asked about the Findings of Apportionment table in the staff report on page 3. Ms. Carlson stated that those figures are based on a population formula. Mr. Tiedgen stated that he'd look into getting updated information and will get back to the committee.

Review only, no motion made.

8. **<u>Receive Update on Local Government Investment Pool (LGIP) Performance through March 2025 and Consider Alternative Banking Opportunities</u>**

   It is recommended that the Fiscal & Policy Committee (Committee):
   1. Receive a performance update on recent investments in CAMP;
   2. Consider alternative banking options to maximize interest accruals; and
   3. Provide direction to staff on future investments and banking strategies.

   Chief Fiscal Officer Jessica Carlson presented the staff recommendations and answered Fiscal & Policy Committee questions.

   To maximize returns on regional funds, staff recommends transferring all remaining program fund accounts from Umpqua Bank to Five Star Bank, where public money market accounts offer monthly dividends matching the LAIF rate. This would include SRTA's Operating Funds (Operating) account, which will maintain a minimum balance to cover transaction fees, with excess funds would be held in a linked public money market account to earn additional interest.

   Ms. Carlson stated that there are no fees or penalties for closing or transferring funds from the Umpqua accounts.

   The Committee gave direction to add a recommendation to the April 30th Board of Director's meeting for the investment of additional program funds into California Cooperative Liquid Assets Securities System (CLASS) and authorize the executive director to submit documents to enroll.

   Board member Audette made a motion to direct the chair, SRTA Executive Director, and the CFO to close all accounts with Umpqua and transition to Five Star Bank. However, if legal counsel advises that it needs to come before the board for any other reason, then it needs to come back.

   By motion made and seconded (Audette/Plummer), the motion passed unanimously.

9. **<u>Review and Discuss Proposed April Board Agenda Item #12: Receive a Legislative Update and Consider Taking Positions or Taking Action on Specific Legislation</u>**

   It is recommended that the board of directors:
   1. Receive a legislative update and consider taking positions on specific legislation;
   2. Authorize the Chair to sign a letter of support for House of Representatives Bill 1383 (LaMalfa); a letter of support for Assembly Bill 239 (Arreguin); and a letter of support for Senate Bill 71 (Wiener);
   3. Direct staff to watch progress on Assembly Bill 902 (Schultz) and submit an "oppose unless amended" position if bill moves on to hearings; and
   4. Take an "oppose" position on AB 1244 (Wicks) and direct staff to submit a letter if bill moves on to hearings.

   Executive Director Sean Tiedgen presented the staff recommendations and answered Fiscal & Policy Committee questions.

The Fiscal and Policy Committee gave the following recommendations to take to the full board:

1. Authorize the Chair to sign a letter of support for House of Representatives Bill 1383 (LaMalfa); a letter of support for Senate Bill (AB) 239 (Arreguin); and a letter of support for Senate Bill 71 (Wiener);
2. Direct staff to watch progress on Assembly Bill 902 (Schultz) and submit an “oppose” position (amended or not) if bill moves on to hearings; and
3. Take an “oppose, and watch” position on AB 1244 (Wicks) and direct the executive director to submit a letter if the bill moves on to hearings.

Review only, no motion made.

10. **<u>Review Fiscal & Policy Committee Meeting Schedule Dates and Times for 2025</u>**
It is recommended that the Fiscal and Policy Committee review the proposed committee meeting schedule and provide feedback to staff regarding any potential meeting conflicts.

    The committee unanimously asked for a 9 a.m. start time, starting with the June 16, 2025, meeting. Due to potential meeting conflicts, Executive Director Sean Tiedgen will get back to the committee with an October date.

11. There being no further business, Chair Watkins adjourned the meeting at 11:12 a.m.

Respectfully submitted,

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Sean Tiedgen, AICP, Executive Director
SMT/acl