UNAPPROVED ACTION MINUTES

SHASTA REGIONAL TRANSPORTATION AGENCY
FISCAL & POLICY COMMITTEE
Thursday, September 5, 2024
2:00 p.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 Jennifer Pollom, and Executive Assistant Amy Lindsey.

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

   Committee members Audette, Eisenbeisz, and Mezzano were present. Board member Audette joined the meeting at 9:07 a.m., just after Item 4.

2. **Staff Introductions**

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

4. **Approve Action Minutes of the June 10, 2024, Fiscal & Policy Committee Meeting**
By motion made and seconded (Eisenbeisz/Mezzano), the minutes passed unanimously.

   ***Chair Mezzano changed the order of the agenda items so that board member Audette could be present during Items needing Committee action. The remaining items are presented in the order the Committee discussed them.*

7. **Receive Verbal Update on the SRTA Building Project**
It is recommended that the board of directors authorize the executive director to sign a Notice of Completion for the SRTA HVAC and Parking Improvements Project (Contract No. 2024-03) and record it with the Shasta County Clerk's Office within 15 days of completion of the work.

   Executive Director Sean Tiedgen gave a verbal update to the Fiscal & Policy Committee. The project was determined "substantially complete" on August 28, 2024. Certain finish work remains, including replacement of two light fixtures, and is expected to be completed once parts arrive. The executive director will then file the Notice of Completion to initiate time limits for any liens or stop payment notices by the contractor, subcontractors, or suppliers. The project warranty period expires one year from the date the Notice of Completion is filed.

   Verbal update only, no action taken.

8. **Receive Verbal Update on Legislative Activities Related to SRTA Positions on Legislation**
Executive Director Sean Tiedgen gave a verbal update on legislative activities to the Fiscal & Policy Committee and answered clarifying questions.

Verbal update only, no action taken.

5. **Receive Report on California Cooperative Liquid Assets Securities System (CLASS) and Provide Direction to Staff on Potential Inclusion in the Agency's Investment Portfolio**

   It is recommended that the Fiscal & Policy Committee:
   1. Receive a report and presentation from California Cooperative Liquid Assets Securities System (CLASS) representatives to introduce a potential investment alternative for SRTA's restricted and reserve funds;
   2. Receive report from staff on potential benefits of CLASS participation; and
   3. Discuss and provide direction to staff regarding potential preparation of a draft proposal report and any other documents necessary to facilitate potential inclusion of CLASS to SRTA's investment portfolio.

   Jerry Legg, Senior Director of Investment Services for California CLASS, presented information about California CLASS investment portfolio. Executive Director Sean Tiedgen, and Chief Fiscal Officer Jessica Carlson presented early analysis and staff recommendations to the Fiscal & Policy Committee and answered clarifying questions.

   Discussion included questions and concerns around the risk and security of CLASS, relative newness since California CLASS established its Joint Powers Agreement (JPA) and governing board in July 2022, and SRTA's ability to retain interest earned on funding programs. The committee's primary questions included:

   1. What is the difference between holding funds in a bank versus an investment pool?
   2. What laws govern the maximum amount of interest a government agency can earn on investments, and what activities are eligible with the proceeds? Can the agency lose the earned interest?
   3. What do current clients of CLASS say about their experience with the pool?
   4. What checks and balances does SRTA need to ensure adequate internal control?
   5. What policies does SRTA need to implement for sub-recipient payments to maximize regional interest accruals?

   The committee asked SRTA staff to investigate the questions presented and bring this item back for further discussion at the next Fiscal & Policy Committee meeting before reporting to the full board.

6. **Review and Discuss Proposed September Board Agenda Item #7-6: Approve Fiscal Year 2022/23 Fiscal and Compliance Audit of the Financial Statements and the Single Audit of Federal Awards Reports**

   It is recommended that the board of directors approve the following two reports for the fiscal year ending June 30, 2023, and direct staff to submit to the State Controller's Office:
   1. Independent fiscal and compliance audit of the financial statements; and,
   2. The Single Audit of Federal Awards.

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

   The committee concurs with the staff recommendation for approval of the fiscal and compliance audit, as well as the draft single audit of federal awards (SAR) with only three findings.

CLOSED SESSION

Chair Mezzano recessed the Fiscal & Policy Committee to a closed session at 10:31 a.m. to discuss the following item.

9. **Executive Director's Evaluation**
   (Government Code Section 54957)

OPEN SESSION

At 10:47 a.m., Chair Mezzano reconvened the regular meeting to open session.

No reportable action.

10. There being no further business, board member Mezzano adjourned the meeting at 10:47 a.m.

Respectfully submitted,

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Sean Tiedgen, AICP, Executive Director
SMT/acl