

AMBAG EXECUTIVE/FINANCE COMMITTEE AGENDA

November 13, 2019

Seaside Community Room
Conference Room
220 Coe Avenue
Seaside, CA 93955

5:00 pm

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
(A maximum of three minutes on any subject not on the agenda)
4. **Consent Agenda**
Recommended Action: APPROVE
Note: Action listed for each item represents staff recommendation. The Executive/Finance Committee may, at its discretion, take any action on the items listed in the agenda.
 - A. **Draft Minutes of the October 9, 2019 Meeting**
Approve the draft minutes of the October 9, 2019 meeting. (Page 3)
 - B. **List of Warrants as of August 31, 2019**
Accept the list of warrants. (Page 7)
 - C. **Accounts Receivable as of August 31, 2019**
Accept the accounts receivable. (Page 9)
5. **Draft Comprehensive Annual Financial Report (CAFR) for Fiscal Year FY 2018-2019**
Recommended Action: INFORMATION
-Errol Osteraa, Director of Finance and Administration

Receive presentation from Mike Nolan, CPA and Audit Partner with Hayashi & Wayland Accounting & Consulting, LLP on AMBAG's Draft Comprehensive Annual Financial Report (CAFR) for FY 2018-2019 and accept the CAFR and accompanying reports. (Page 11)

6. Financial Update Report

Recommended Action: INFORMATION

-Errol Osteraa, Director of Finance and Administration

Receive the financial update report which provides an update on AMBAG's current financial position and accompanying financial statements. (Page 13)

7. Other Items

8. Adjournment

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. If you have a request for disability-related modification or accommodation, including auxiliary aids or services, contact Ana Flores, AMBAG, 831-883-3750, or email aflores@ambag.org at least 48 hours prior to the meeting date.

DRAFT
EXECUTIVE/FINANCE COMMITTEE MEETING

**Marina Library
Community Room
190 Seaside Circle
Marina, CA 93933**

October 9, 2019

Minutes

1. Call to Order

The meeting was called to order by 1st Vice President McShane at 5:22 p.m.

2. Roll Call

Present: Directors Freeman, Funk (5:34), McPherson, McShane and Smith
Absent: Director Petersen
Others Present: Maura Twomey, Executive Director

3. Public Comments

There were no comments from the public.

4. Consent Agenda

The following items were enclosed: 1) the minutes of the September 11, 2019 meeting; 2) warrants as of July 31, 2019; and 3) accounts receivable as of July 31, 2019.

Motion made by Director McPherson seconded by Director Freeman to approve the consent agenda. The motion passed unanimously.

5. Financial Update Report

Maura Twomey, Executive Director, gave a report on AMBAG's current financial position. The accompanying financial statements were also discussed.

6. Closed Session

AMBAG Staff and members of the public stepped out of meeting for the closed session item.

Director Funk arrived.

7. Reconvene from Closed Session

The meeting reconvened. 1st Vice President McShane reported that the Board met under closed session and there was nothing to report.

8. Other Items

No other items were discussed.

9. Adjournment

The meeting adjourned at 5:48 p.m.

DRAFT
AMBAG EXECUTIVE/FINANCE COMMITTEE MEETING
ATTENDANCE & VOTING RECORD

MEETING DATE: October 9, 2019

Attendance (X= Present; AB= Absent) Voting (Y= Yes; N=No; A=Abstain)						
MEMBER	AMBAG REP	Attendance	Item# 4 Consent	--	--	--
Capitola	Kristen Petersen	AB	-	-	-	-
Gonzales	Scott Funk	X (5:34)	-	-	-	-
Monterey	Ed Smith	X	Y	-	-	-
Salinas	Steve McShane	X	Y	-	-	-
San Juan Bautista	John Freeman	X	Y	-	-	-
County of Santa Cruz	Bruce McPherson	X	Y	-	-	-

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AMBAG
Check Register
August 2019

Date	Check Number	Name	Description	Amount
08/08/2019	28408	Anthem Blue Cross of California	Small Group Life Insurance Coverage 09-01-19 to 10-01-19	316.25
08/08/2019	28409	AT&T (FAX Line)	Fax Line Billed in Advance From 09/02/19 - 09/01/19	94.19
08/08/2019	28410	AT&T (Silver Cloud Ct VoIP)	VoIP Lines (Main Line, Staff Lines) and T-1 MIS - 06/19/19 - 06/21/19	115.09
08/08/2019	28411	Bobbie Grant	Mileage Reimbursement for July 2019	34.24
08/08/2019	28412	Heather Adamson	Reimbursement for Expenses for Month of July 2019	542.70
08/08/2019	28413	Iron Mountain, Inc.	Offsite Document Storage for July 2019	43.23
08/08/2019	28414	MacLeod Watts, Inc	Prepare GASB 75 actuarial report for FY ended June 30, 2019	900.00
08/08/2019	28415	Maura Twomey.	Expense reimbursement for July 2019	15.00
08/08/2019	28416	Monterey Co. Business Council.	2019-2020 Membership Dues	500.00
08/08/2019	28417	Monterey Computer Corporation, Inc.	IT Support Services for August 2019	1,167.00
08/08/2019	28418	Monterey Peninsula Chamber of Commerce	2019-2020 Membership Dues	336.00
08/08/2019	28419	Perry and Freeman	Legal Services for August 2019	1,125.00
08/08/2019	28420	Pitney Bowes, Inc. - Purchase Power	Postage Paid by Purchase Power Line of Credit for July	500.00
08/08/2019	28421	Rayne Water, Inc.	Water for the Period of 08/01/2019 through 08/31/2019	64.09
08/08/2019	28422	Verizon Wireless, Inc	Broadband Account for Broadband Devices and iPads New Plan	234.96
08/08/2019	EFT	Pers Retirement	Retirement Contributions 7-16-2019 thru 7-31-2019 - PEPPRA	1,726.13
08/08/2019	EFT	Pers Retirement	Retirement Contributions 7-16-2019 thru 7-31-2019 - Classic	7,746.69
08/08/2019	EFT	Pers Retirement	August Pmt for Annual Unfunded Accrued Liability as of 06/30/2017 Valuation - Classic	12,683.18
08/08/2019	EFT	Pers Retirement	August Pmt for Annual Unfunded Accrued Liability as of 06/30/2017 Valuation - PEPPRA	211.57
08/08/2019	EFT	Paychex. Inc.	FSA Negative Balance Adjustment for 2018	756.95
08/15/2019	28423	A-LIGN	Compliance and Security Services	10,507.77
08/15/2019	28424	BOD - Alissa Kispersky	BOD Meeting 8/14/19	50.00
08/15/2019	28425	BOD - Angela Untalon	BOD Meeting 8/14/19	50.00
08/15/2019	28426	BOD - Bruce McPherson	BOD Meeting 8/14/19	50.00
08/15/2019	28427	BOD - Carlos Victoria	BOD Meeting 8/14/19	50.00
08/15/2019	28428	BOD - Carol Lenoir	BOD Meeting 8/14/19	50.00
08/15/2019	28429	BOD - Ed Smith	BOD Meeting 8/14/19	50.00
08/15/2019	28430	BOD - Felipe Hernandez	BOD Meeting 8/14/19	50.00
08/15/2019	28431	BOD - Greg Caput	BOD Meeting 8/14/19	50.00
08/15/2019	28432	BOD - Jack Dilles	BOD Meeting 8/14/19	50.00
08/15/2019	28433	BOD - John Freeman	BOD Meeting 8/14/19	50.00
08/15/2019	28434	BOD - John Phillips	BOD Meeting 8/14/19	50.00
08/15/2019	28435	BOD - Lisa Berkley	BOD Meeting 8/14/19	50.00
08/15/2019	28436	BOD - Louise Goetzelt	BOD Meeting 8/14/19	50.00
08/15/2019	28437	BOD - Scott Funk	BOD Meeting 8/14/19	50.00
08/15/2019	28438	Gina Schmidt	Reimbursement for Expenses for Month of July 2019	1,132.01
08/15/2019	28439	Office Depot Credit Plan	Office Supplies	670.61
08/15/2019	28440	Santa Cruz Sentinel(MediaNews Group, Inc.	Notice for MTIP FFY 2018-19 to FFY 2021-22 Legal AD 07/31/19	145.60
08/15/2019	28441	The Herald (MediaNews Group, Inc)(Ads)	Notice for MTIP FFY 2018-19 to FFY 2021-22 Legal AD 07/31/19	189.62
08/15/2019	28442	VISA Rabobank - 1628	Training, Event Registration, Priority Shipping, Supplies, Recruitment	1,309.91
08/15/2019	28443	VISA Rabobank - 3667	Travel, Storage, Meeting Expenses	444.82
08/15/2019	EFT	Paychex. Inc.	Net Payroll and Taxes for Period Ending 08/15/2019	64,242.99
08/27/2019	28444	A-LIGN	Compliance and Security Services	3,000.00
08/27/2019	28445	Amaury Berteaud	Expense Report for 2019 CCCC Symposium & 2019 CCAP Conference 8/14 - 8/16	441.44

AMBAG
Check Register
August 2019

Date	Check Number	Name	Description	Amount
08/27/2019	28446	AT&T (Silver Cloud VoIP 2019)	Monthly Charges for VoIP Lines (Main Line, Staff Lines) and Fiber MIS - 08/11/19 - 09/10/19	533.46
08/27/2019	28447	Caltronics Business Systems, Inc	Purchase BZHUB C659 with Trade in Credit	12,418.75
08/27/2019	28448	Comcast - Monterey	High Speed Internet for 08/22/2019 - 09/21/2019	318.13
08/27/2019	28449	Delta Dental Plan of California	September 2019 Dental Premiums	1,377.66
08/27/2019	28450	Hayashi & Wayland, LLP	1st Billing for FY 2018-19 Audit	12,762.00
08/27/2019	28451	MetLife - Group Benefits	September 2019 Disability Insurance Premium	303.86
08/27/2019	28452	Monterey Bay Air Resources District	August 2019 Rent	5,968.00
08/27/2019	28453	Monterey Computer Corporation, Inc.	IT Support for New Konica M659	300.00
08/27/2019	28454	Monterey County Weekly	Ad for Notice of Public Workshop for Central Coast Hwy1 Climate Resiliency Study 8/22/19	131.25
08/27/2019	28455	Office Depot Credit Plan	Office Supplies	116.02
08/27/2019	28456	Planeteria Media	Website Development and Maintenance - July 2019	2,050.00
08/27/2019	28457	Staples Credit Plan, Inc.	Office Supplies	429.37
08/27/2019	28458	Valero, Inc.	July 16 to Aug 08, 2019 Fuel Costs	99.60
08/27/2019	28459	Vision Service Plan, Inc. (VSP)	September 2019 Premium	257.62
08/28/2019	EFT	Pers Health Benefit	Health Coverage September 2019	8,183.36
08/28/2019	EFT	Pers Retirement	Retirement Contributions 8-1-2019 thru 8-15-2019 - Classic	7,746.69
08/28/2019	EFT	Pers Retirement	Retirement Contributions 8-1-2019 thru 8-15-2019 - PEPR	1,726.13
08/28/2019	EFT	Pers Retirement	Combined GASB 68 Reports and Schedules for Plan Identifiers #26831 & #1283	700.00
08/28/2019	EFT	Pers Retirement	SSA Administration / Maintenance Annual Fee	300.00
08/31/2019	EFT	Paychex, Inc.	Net Payroll and Taxes for Period Ending 08/31/2019	64,018.12
			Total	\$ 231,637.06

AMBAG
A/R Aging Detail
As of August 31, 2019

Date	Num	Name	Memo	Due Date	Aging	Open Balance	Paid
08/31/2019	4001	PG & E-CEE Invoice Desk		08/31/2019		47,507.10	✓
08/31/2019	4005	RAPS A/R	All AMBAG	08/31/2019		389.47	✓
08/31/2019	4006	RAPS A/R	All AMBAG	08/31/2019		259.05	✓
08/31/2019	4003	Caltrans, D5	All AMBAG	09/30/2019		122,079.58	
08/31/2019	4007	Caltrans, D5	Caliper- \$15,060.00, Caliper- \$18,732.50, ESA- \$11,961.07, ESA- \$12,257.23, PRB- \$2,441.44, PRB- \$3,843.44	09/30/2019		120,000.00	
07/31/2019	3999	Caltrans, D5	All AMBAG	08/30/2019	1	124,945.38	✓
07/31/2019	4000	RAPS A/R	All AMBAG	07/31/2019	31	1,146.04	✓
06/30/2019	3995	RAPS A/R	All AMBAG	06/30/2019	62	3,392.75	✓
06/30/2019	3996	RAPS A/R	All AMBAG	06/30/2019	62	2,538.10	✓
06/30/2019	3997	RAPS A/R	All AMBAG	06/30/2019	62	2,285.89	✓
05/31/2019	3991	RAPS A/R	All AMBAG	05/31/2019	92	1,252.05	✓
		Total Receivables				<u>\$ 425,795.41</u>	
		Less Contractor Receivables				<u>\$ 64,295.68</u>	
		Net AMBAG Receivables				<u>\$ 361,499.73</u>	

✓ Reflects payments received subsequent to August 31, 2019.

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MEMORANDUM

TO: Executive/Finance Committee

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Errol Osteraa, Director of Finance and Administrative Services

SUBJECT: Draft Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2018-2019

MEETING DATE: November 13, 2019

RECOMMENDATION:

Receive a presentation from Mike Noland, CPA and Audit Partner with Hayashi & Wayland Accounting & Consulting, LLP on AMBAG's Draft Comprehensive Annual Financial Report (CAFR) for FY 2018-2019.

BACKGROUND/DISCUSSION:

Pursuant to AMBAG's by-laws, an independent audit firm performs an annual financial audit and an opinion is issued on AMBAG's financial position as of June 30 of each year. The Comprehensive Annual Financial Report (CAFR) is for the period ended June 30, 2019. AMBAG received an unmodified (clean) opinion.

The AMBAG CAFR (separately enclosed) is comprised of several sections:

- **Introductory** – this section includes a letter of transmittal, which is an executive summary introducing the financial statements along with other required information.
- **Financial Section and Basic Financial Statements** – these sections have the independent auditors' report from Hayashi and Wayland Accounting and Consulting, LLP; Management's Discussion and Analysis (MD&A), which is managements' overview of AMBAG's financial position; identification of any major issues and projections for the future; the actual financial statements and note disclosures.
- **Required Supplementary Information** – this section includes budgetary comparison schedules for the general fund and for each major fund that has a legally adopted annual budget. This section also includes additional schedules and reporting

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requirements for Governmental Accounting Standards Board (GASB) Statements No. 45, 68, and 82.

- **Supplementary Information** – this section contains Consolidated Planning Grant (CPG) financial information and schedules regarding direct, indirect, and unallowable costs under AMBAG’s grant awards.
- **Statistical Section** – this section contains various unaudited demographic and financial information for the AMBAG region.
- **Single Audit Section** – this section is a requirement for agencies that have federal grants in excess of \$750,000 and includes the auditor’s report on their findings and any questioned costs, as it relates to federal grant programs. There were no single audit findings.

FINANCIAL IMPACT:

Management’s Discussion and Analysis section of the CAFR discloses management’s perspective on the financial position of AMBAG and its nonprofit arm, Regional Analysis and Planning Services, Inc. (RAPS) for FY 2018-2019. AMBAG had a positive change in net position of \$68,464 and RAPS had a positive change in net position of \$7,904. The combined change in net position was \$76,368. Although there was a positive change in AMBAG’s net position, AMBAG’s overall ending net position reflected a deficit of \$231,876, due to GASB Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 82, Pension Issues-an amendment of GASB Statements No. 67, 68 and No. 73.

Preparation of the CAFR was funded in part through grants from the Federal Highway Administration and Federal Transit Administration.

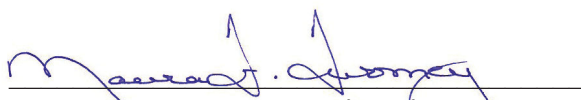
COORDINATION:

Mike Noland, CPA from Hayashi and Wayland Accounting and Consulting, LLP will provide an overview presentation of the Draft Comprehensive Annual Financial Report for FY 2018-2019 at the November 13, 2019 Board of Directors meeting.

ATTACHMENT:

1. Draft Comprehensive Annual Financial Report (CAFR) for FY 2018-2018 (separately enclosed)

APPROVED BY:


Maura F. Twomey, Executive Director



MEMORANDUM

TO: Executive/Finance Committee

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Errol Osteraa, Director of Finance and Administration

SUBJECT: Financial Update Report

MEETING DATE: November 13, 2019

RECOMMENDATION:

Staff recommends that the Executive/Finance Committee receive the Financial Update Report.

BACKGROUND/ DISCUSSION:

The enclosed financial reports are for the 2019-2020 Fiscal Year (FY) and are presented as a consent item. The attached reports contain the cumulative effect of operations through August 31, 2019 as well as a budget-to-actual comparison. Amounts in the Financial Update Report are unaudited.

FINANCIAL IMPACT:

The Balance Sheet for August 31, 2019 reflects a cash balance of \$879,766.34. The accounts and contractors receivable balance is \$425,795.41, while the current liabilities balance is \$178,839.76. AMBAG has sufficient current assets on hand to pay all known current obligations.

Due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in FY 2014-2015 and a restatement to Net Position for GASB Statement No. 82, AMBAG has a deficit Net Position in the amount of \$73,100.84. Although AMBAG's Balance Sheet as of August 31, 2019 reflects a deficit Net Position, AMBAG's Profit and Loss Statement reflects an excess of revenue over expense of \$126,470.25. As we make efforts to pay the outstanding pension liability, AMBAG's Net Position will continue to improve.

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The following table highlights key Budget to Actual financial data:

Budget to Actual Financial Highlights
For Period August 1, 2019 through August 31, 2019

Expenditures	Budget Through August 2019	Actual Through August 2019	Difference
Salaries & Fringe Benefits	\$ 429,570.00	\$ 355,267.05	\$ 74,302.95
Professional Services	\$ 133,017.00	\$ 102,422.18	\$ 30,594.82
Lease/Rentals	\$ 15,167.00	\$ 13,745.50	\$ 1,421.50
Communications	\$ 4,133.00	\$ 3,217.82	\$ 915.18
Supplies	\$ 18,286.00	\$ 10,567.01	\$ 7,718.99
Printing	\$ 1,892.00	\$ -	\$ 1,892.00
Travel	\$ 15,025.00	\$ 3,533.38	\$ 11,491.62
Other Charges	\$ 51,545.00	\$ 56,584.09	\$ (5,039.09)
Total	\$ 668,634.00	\$ 545,337.03	\$ 123,297.97
Revenue			
Federal/State/Local Revenue	\$ 674,564.00	\$ 671,807.28	\$ 2,756.72

Note: AMBAG is projecting a surplus, therefore budgeted revenues do not equal expenses.

Revenues/Expenses (Budget to Actual Comparison):

The budget reflects a linear programming of funds while actual work is contingent on various factors. Therefore, during the fiscal year there will be fluctuations from budget-to-actual.

Salaries and fringe benefits are under budget primarily due to positions that were vacant for portions of the fiscal year.

Professional Services are under budget primarily due to the timing of work on projects performed by contractors. These projects include the Central Coast Highway 1 Climate Resiliency Study and the development of an Activity-Based Model (ABM) Framework for the Central Coast Supra-Region (AMBAG, SLOCOG and SBCAG). In addition, work has begun on the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). These projects are in various phases of completion.

Since AMBAG funding is primarily on a reimbursement basis, any deviation in expenditure also results in a corresponding deviation in revenue. Budget-to-actual revenue and expenditures are monitored regularly to analyze fiscal operations and propose amendments to the budget if needed.

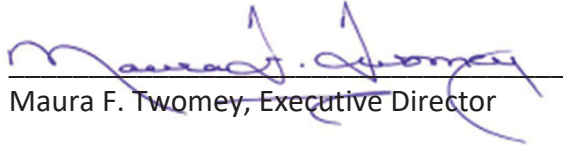
COORDINATION:

N/A

ATTACHMENTS:

1. Balance Sheet as of August 31, 2019
2. Profit and Loss: August 1, 2019 – August 31, 2019

APPROVED BY:



Maura F. Twomey, Executive Director

AMBAG

Balance Sheet - Attachment 1

As of August 31, 2019

	August 31, 2019	August 31, 2019
Assets		
Current Assets		
Cash and Cash Equivalents		
Rabobank - Special Reserve	250,195.89	42,810.72
Rabobank - Checking	625,482.74	64,295.68
Petty Cash	500.00	71,733.36
LAIF Account	3,587.71	0.00
Total Cash and Cash Equivalents	<u>879,766.34</u>	<u>178,839.76</u>
Accounts Receivable		
Accounts Receivable	361,499.73	
Contractors Receivable	64,295.68	
Total Accounts and Contractors Receivable	<u>425,795.41</u>	
Other Current Assets		
Due from PRWFPA/RAPS	1,474.70	
Prepaid Items	37,894.50	
Total Other Current Assets	<u>39,369.20</u>	
Total Current Assets	<u>1,344,930.95</u>	
Long-Term Assets		
Net OPEB Asset	86,032.00	
FY 2002-2003 Housing Mandate Receivable	82,186.00	
Allowance for Doubtful Accounts	(16,437.20)	
Deferred Outflows - Actuarial	667,822.49	
Deferred Outflows - PERS Contribution	287,132.59	
Total Long-Term Assets	<u>1,106,735.88</u>	
Capital Assets		
Capital Assets	179,036.54	
Accumulated Depreciation	(145,670.38)	
Total Capital Assets	<u>33,366.16</u>	
Total Assets	<u><u>2,485,032.99</u></u>	
Liabilities & Net Position		
Liabilities		
Current Liabilities		
Accounts Payable		42,810.72
Contractors Payable		64,295.68
Employee Benefits		71,733.36
Line of Credit		0.00
Total Current Liabilities		<u>178,839.76</u>
Long-Term Liabilities		
Deferred Inflows - Actuarial		274,291.95
Net Pension Liability (GASB 68)		2,006,211.69
OPEB Liability		6,671.02
Retainage Payable		9,389.41
Deferred Revenue		82,730.00
Total Long-Term Liabilities		<u>2,379,294.07</u>
Total Liabilities		<u>2,558,133.83</u>
Net Position		
Beginning Net Position		(199,571.09)
Net Income/(Loss)		126,470.25
Total Ending Net Position		<u>(73,100.84)</u>
Total Liabilities & Net Position		<u><u>2,485,032.99</u></u>

Profit & Loss - Attachment 2

July - August 2019

	July - August 2019
Income	
AMBAG Revenue	174,270.66
Cash Contributions	11,794.56
Grant Revenue	457,408.28
Non-Federal Local Match	28,333.78
Total Income	671,807.28
Expense	
Salaries	229,572.51
Fringe Benefits	125,694.54
Professional Services	102,422.18
Lease/Rentals	13,745.50
Communications	3,217.82
Supplies	10,567.01
Printing	0.00
Travel	3,533.38
Other Charges:	
BOD Allowances	700.00
BOD Refreshments/Travel/Nameplates/Dinner/Other	52.53
Workshops/Training	894.88
GIS Licensing/CCIDC Support	7,749.55
Energy Watch Travel/Classes/Events	301.50
SB1/MTP/MTP/SCS/OWP/Public Participation Expenses	3,320.15
Recruiting	395.00
Climate Resiliency Study	265.34
Dues & Subscriptions	5,158.34
Depreciation Expense	3,668.68
Maintenance/Utilities	128.18
Insurance	5,616.16
Total Other Charges	28,250.31
Non-Federal Local Match	28,333.78
Total Expense	545,337.03
Net Income/(Loss)	126,470.25

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