



## **Finance, Budget & Audit Committee Work Session Meeting Minutes**

**Thursday, September 29, 2022 @ 9:00am**

*Attendees: Jason Myers, Jessica Carson, Ken Smith, Neil Thomson, Beau Memory, Jacob Kramer, Anne Marie Disney, Bri Summers, Kris Kellim, Geoffrey Doctoroff, Bill Holen, Kelly Brown, Tamera Seaver, John Diak, Heather Burke (some attendees remote)*

**PLEASE NOTE: ALL PUBLIC ARE ALSO WELCOME TO PARTICIPATE VIRTUALLY VIA THE FOLLOWING:**

**Microsoft Teams meeting**

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Phone Conference ID: 297 734 53#

1. Call to Order - Chair Council Member Jon Diak – 9:01 a.m.
2. Public Comment – No public comment.
3. 2022 Traffic & Revenue and 2023 Toll Rates Briefing – Mr. Myers provided a briefing on current Traffic and Revenue trends, discussing rising gas prices and inflation and other 2022 events and challenges impacting traffic and revenue. Mr. Myers also gave a briefing on the 2021 Board Resolution 21-02 current Toll Rate Schedule and Policy and reiterated the policy requirement of review/reaffirmation of toll rates each year during policy period. Lastly, Mr. Myers discussed the toll rates for 2023 and next steps and timeline for the board to consider. Commissioner Holen asked about traffic projections for the remainder of the year and mentioned airport trends for Q4.
1. Draft 2023 Budget Briefing – Mr. Myers presented the 2023 Budget timeline, summary of 2023 proposed operating budget and debt service coverage ratio, and overall 2023 cash flows that are draft and as of the meeting date. Mr. Myers discussed the \$10M decrease in net toll revenue from 2023 projections due to current 2022 traffic level trends and challenges. Mr. Myers then briefed the committee on draft 2023 capital

budget, as well as the estimated 2024-2025 capital projections and 5-year capital plan for 2023-2027. Mr. Myers discussed the overall estimated capital increase during this period was last year due to inflation and rising material and labor costs. Mr. Myers then briefed the committee on the draft 2023 Finance & Administrative Services Department summary operating and capital budget areas. Mr. Diak inquired on timing of capital projects with current issues and events. Mr. Myers and Mr. Thomson discussed the history, planning and necessity of the road-widening project due to growth and future level of service. Ms. Brown asked about the impact of increase in credit card fees on the CTIO cost model, where Mr. Myers replied summarizing the impact from volume estimates with new CTIO roadways coming online in 2023. Mr. Neil Thomson then presented the draft 2023 Engineering and Roadway Maintenance department operating and Capital budget areas for 2023. Mr. Smith then presented the draft IT department 2023 operating and capital budget areas for 2023. Ms. Carson presented the draft Toll Operations and Tolling Services department 2023 operating and capital budget areas for 2023. Mr. Memory presented the draft 2023 Executive Department operating budget, and then Mr. Kramer discussed the draft 2023 salary and burden budget. Mr. Myers concluded the budget presentation with a final wrap up of the draft 2023 budgets.

2. Department Status of Solicitations Briefing –

- Finance RFPs Briefing – Mr. Kellim provided a briefing on 3 active solicitations (Traffic and Revenue Consultant, Municipal Advisor, and Investment Management Services) including status and timeline for committee briefings at the October working session, and proposed final board approval of the new contracts at the November board meeting.
- Administrative Services Solicitation on Administrative Headquarters Facility (“AHF”) Front Entrance Project – Mr. Doctoroff provided a briefing on the AHF Front Entrance project and scope of work. Mr. Doctoroff also presented the plan and timeline for the Front Entrance Project solicitation and information that will be shared with the committee prior to board approval of the project cost and vendor at the October board meeting.

3. Internal Audit of Expense Reports Results Briefing – Mr. Doctoroff then briefed the committee on the Expense Report Audit performed by Jefferson Wells to assess the design and effectiveness of procedures and controls in place over expense reports and Pcard administration. Mr. Doctoroff discussed the results of the audit which showed that the overall control environment was effective and no fraud was detected, but noted several areas for improvement. E470 management concurred with the 11 findings and have done a detailed and thorough review of current policies, procedures and restriction controls to implement or improve these processes. The committee thanked E470 staff for being proactive in this area, and was glad to see the improvements made.

4. Other Business – No other Business

5. Adjourn Work Session - Chair Council Member Diak – 10:18AM