



September 2, 2020
2:00 p.m.

AGENDA

Board Budget and Finance Committee Meeting

Please join the meeting from your computer, tablet or smartphone.

<https://us02web.zoom.us/j/87512737811?pwd=T3EwajNzS2l4TXg1NHZwUmo2UUE2QT09>

Meeting ID: 875 1273 7811; Passcode: 469605

You can also dial in using your phone: (346) 248-7799

Meeting ID: 875 1273 7811; Passcode: 469605

SPECIAL NOTICE REGARDING COVID-19

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. Public gatherings are to be limited.

Further, on March 18, 2020, Governor Newsom temporarily suspended the Brown Act requirements pertaining to telephonic conferencing of local government meetings and the requirement to have at least one physical location available to the public for purposes of attending the meeting. As such, RTA has opted to conduct the September 2, 2020 committee meeting via teleconference. Participants can participate via teleconference in each participant's own office / home area which will not be made physically accessible to the public.

Members of the public wishing to participate via teleconference can do so by joining the meeting from your computer, tablet or smart phone at 2:00 p.m. on September 2, 2020: <https://us02web.zoom.us/j/87512737811?pwd=T3EwajNzS2l4TXg1NHZwUmo2UUE2QT09> - Meeting ID: 875 1273 7811 - Passcode: 469605 or you may dial in using your phone to (346) 248-7799, Meeting ID: 875 1273 7811 - Passcode: 469605. If you do not wish to speak, please silence / mute your device during the meeting. Those wishing to speak during the meeting may submit comments and/or questions in writing for Board consideration by completing the online Speaker Request Form which can be accessed through our website at RiversideTransit.com or by clicking [HERE](#). If possible, please submit your written comments by Tuesday, September 1, 2020, at 5:00 p.m. Once you've connected, you must ensure that you are in a quiet environment with no background noise (traffic, children, pets, etc.) You must mute your phone until called upon by the Chair or the Clerk to speak. Once called upon, please unmute your device and speak. You will be warned prior to your allotted time being over.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the Riverside Transit Agency Board of Directors during the meeting, should contact the Riverside Transit Agency Clerk of the Board, telephone number (951) 565-5066, no fewer than two business days prior to this meeting to enable the Riverside Transit Agency to make reasonable arrangements to assure accessibility or language assistance for this meeting.

Agenda item descriptions are intended to provide members of the public a general summary of business to be conducted or discussed. Posting of any recommended action on an agenda item does not indicate what action will be taken. The Board of Directors may take any action it believes is appropriate on the agenda item and is not limited in any way by the notice of any recommendation.

All documents related to any agenda item are available for public inspection at www.riversidetransit.com or through the Clerk of the Board's office at the Riverside Transit Agency, 1825 Third Street, Riverside, CA 92507.

ITEM

RECOMMENDATION

1. CALL TO ORDER

2. SELF-INTRODUCTIONS

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person's presentation is limited to a maximum of three (3) minutes.

RECEIVE COMMENTS

4. APPROVAL OF MINUTES – JULY 1, 2020 COMMITTEE MEETING (P.4)

APPROVE

5. CASH FLOW PROJECTIONS (P.6)

RECEIVE AND FILE

<u>ITEM</u>	<u>RECOMMENDATION</u>
6. QUARTERLY CAPITAL STATUS (P.8)	RECEIVE AND FILE
7. QUARTERLY INVESTMENT REPORT (P.9)	RECEIVE AND FILE
8. QUARTERLY NATURAL GAS PROCUREMENT STATUS REPORT (P.11)	RECEIVE AND FILE
9. BOARD MEMBER COMMENTS	
10. ANNOUNCEMENTS	
11. NEXT MEETING Wednesday, October 7, 2020 2:00 p.m. Riverside Transit Agency 1825 Third Street Riverside, CA 92507	
12. MEETING ADJOURNMENT	

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING
Minutes
July 1, 2020

1. CALL TO ORDER

Committee Chair Linda Krupa called the Board Budget and Finance Committee meeting to order at 2:08 p.m., on July 1, 2020 via teleconference.

2. SELF INTRODUCTIONS

In lieu of self-introductions, a roll call was taken.

Committee Members Attending

1. Linda Molina, City of Calimesa
2. Jeremy Smith, City of Canyon Lake
3. Linda Krupa, City of Hemet
4. Anthony Kelly, Jr., City of Jurupa Valley
5. Timothy J. Sheridan, City of Lake Elsinore
6. Berwin Hanna, City of Norco
7. Malcolm Corona, City of Perris
8. Bridgette Moore, City of Wildomar
9. ¹Michelle DeArmond, County of Riverside District III
10. ²Barry Busch, County of Riverside District V

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. Joan Hepworth, Clerk of the Board
3. Tom Franklin, Chief Operating Officer
4. Craig Fajnor, Chief Financial Officer
5. Vince Rouzaud, Chief Procurement and Logistics Officer
6. Laura Camacho, Chief Administrative Services Officer
7. Adam Chavez, Director of Maintenance
8. Jim Kneepkens, Director of Marketing
9. Kristin Warsinski, Director of Planning
10. Rick Majors, Director of Risk Management
11. Rick Kaczerowski, Director of IT
12. Natalie Zaragoza, Director of Contracts
13. Eric Ustation, Government Affairs Manager
14. Brad Weaver, Media & Public Relations Manager
15. Stephanie Sirls, Operations Manager
16. Audrey Gill, Contract Operations Manager
17. Jessica Leon, Administrative Assistant

¹Alternate for Chuck Washington, County of Riverside, District III

²Alternate for Jeff Hewitt, County of Riverside, District V

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

None.

4. APPROVAL OF MINUTES – JUNE 3, 2020 COMMITTEE MEETING

M/S/C (KELLY/SMITH) approving the June 3, 2020 committee meeting minutes.

The motion carried unanimously.

Director Linda Molina joined the meeting at 2:19 p.m.

5. CASH FLOW PROJECTIONS

Mr. Fajnor presented the cash flow projections which were received and filed.

6. AUTHORIZATION TO AMEND COLLEGE AND UNIVERSITY PASS AGREEMENTS

M/S/C (MOORE/MOLINA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize staff to amend College and University Pass Agreements.

The motion carried unanimously.

7. BOARD MEMBER COMMENTS

Board member comments were made by Directors' Linda Molina, Jeremy Smith, Anthony Kelly Jr., Berwin Hanna, Malcolm Corona, Bridgette Moore, Michelle DeArmond and Barry Busch.

8. ANNOUNCEMENTS

Larry Rubio made announcements

9. NEXT MEETING

Wednesday, September 2, 2020, 2:00 p.m.

10. MEETING ADJOURNMENT

The meeting was adjourned at 2:33 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 2, 2020

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Cash Flow Projections

Summary: The Agency develops cash flow projections for the entire fiscal year representing weekly increments. Due to the size of the report, it is difficult to portray the entire fiscal year.

The attached report represents actual cash performance through late-August 2020 with projections through October 2020. This reporting period covers the first four months of FY21.

There are no cash flow issues anticipated during this reporting period.

Recommendation:

Receive and file.

Riverside Transit Agency FY20/21 Cash Flow Projection

Actual

Wells Fargo General Account	8/21/2020	8/28/2020	9/4/2020	9/11/2020	9/18/2020	9/25/2020	10/2/2020	10/9/2020	10/16/2020	10/23/2020	10/30/2020
Est. Cash, Beg Balance (Book)	189,489	291,316	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Receipts:											
FET Credit	-	79,778	-	-	78,162	-	-	-	-	-	-
RIN's Credit	-	-	-	-	56,292	-	-	-	50,000	-	-
LCFS	-	-	-	-	183,998	-	-	-	-	-	-
CalPERS CERBT Disbursement	97,387	-	-	-	92,896	-	-	-	-	95,000	-
Farebox	17,662	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Other Farebox	-	129,499	-	-	-	17,349	-	150,000	-	-	-
Total Other Local	2,795	9,975	13,295	7,500	7,500	7,500	13,295	7,500	7,500	7,500	7,500
FTA Operating	-	5,975,757	-	4,300,000	500,000	17,629	-	3,000,000	500,000	25,000	-
FTA Capital	421,593	-	-	-	-	-	-	-	-	-	-
Capital - Local, State	-	-	-	-	148,873	-	-	-	-	-	-
Transfer from Investment Accounts to Wells Fargo General Account	519,000	-	2,124,456	-	-	1,332,522	411,705	152,500	697,500	1,247,500	417,500
Disbursements:											
Payroll	-	(1,000,000)	-	(1,100,000)	-	(1,100,000)	-	(1,100,000)	-	(1,100,000)	-
A/P Wires	(439,118)	(89,375)	(1,937,751)	(820,000)	(255,000)	(85,000)	(235,000)	(2,020,000)	(1,055,000)	(85,000)	(235,000)
A/P Checks	-	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Capital Expenditures	(517,492)	-	-	-	-	-	-	-	-	-	-
Meals On Wheels Expenditures	-	-	(10,000)	-	(10,000)	-	-	-	(10,000)	-	-
Transfer to Investment Accounts from Wells Fargo General Account	-	(5,156,950)	-	(2,197,500)	(612,720)	-	-	-	-	-	-
Actual Ending Wells Fargo General Account Book Balance / Targeted Minimum Balance	291,316	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

LAIF Account:												
Beginning balance	2,648,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,587,733	2,587,733
Quarterly Interest Income	-	-	-	-	-	-	-	-	-	8,254	-	-
Transfers to/from Gen Acct.	(69,000)	-	-	-	-	-	-	-	-	-	-	-
Ending balance	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,579,479	2,587,733	2,587,733	2,587,733

County Pool Account:												
Beginning balance	10	10	10	10	10	10	10	10	10	10	10	10
Ending balance	10	10	10	10	10	10	10	10	10	10	10	10

CalTrust Account:											
Beginning balance	60,223,084	59,773,084	64,731,593	62,607,137	64,804,637	65,417,357	64,084,835	63,737,333	63,434,833	62,737,333	61,489,833
Monthly Interest Income	-	59,941	-	-	-	-	64,203	-	-	-	62,825
Transfers to/from Gen Acct.	(450,000)	4,898,568	(2,124,456)	2,197,500	612,720	(1,332,522)	(411,705)	(302,500)	(697,500)	(1,247,500)	(417,500)
Ending balance	59,773,084	64,731,593	62,607,137	64,804,637	65,417,357	64,084,835	63,737,333	63,434,833	62,737,333	61,489,833	61,135,158

<i>Restricted Capital Balance >>></i>	43,669,653	43,710,678	43,710,678	43,710,678	43,710,678	43,710,678	43,751,793	43,751,793	43,760,047	43,760,047	43,801,202
<i>Funding for CERBT OPEB Trust >>></i>	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
<i>Restricted Operating Balance >>></i>	5,047,405	4,922,613	4,922,613	4,922,613	4,922,613	4,922,613	4,927,533	4,777,533	4,777,533	4,777,533	4,782,346
<i>Restricted Measure A Balance >>></i>	100,000	100,000	90,000	90,000	80,000	80,000	80,000	80,000	70,000	70,000	70,000
<i>Unrestricted Operating Balance >>></i>	12,526,831	17,327,792	15,213,336	17,410,836	18,033,556	16,701,034	16,307,497	16,154,997	15,467,497	14,219,997	13,819,352
<i>Avg Operating expenses per month =></i>	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000	6,865,000
<i>No. of months Oper Cash On Hand =></i>	1.82	2.52	2.22	2.54	2.63	2.43	2.38	2.35	2.25	2.07	2.01

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 2, 2020

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Quarterly Capital Status

Summary: The Agency has, at any one time, a multitude of capital projects in progress or pending as circumstances and funding dictate. These capital projects are funded through a variety of funding sources including, but not limited to, Federal, State, and Local grants. Capital items funded with these grants include, but are not limited to, Revenue and Non-Revenue Vehicles, Transit Facilities, Facility Improvements, and Information Systems.

Depending on the nature of the project, it can take multiple years to accumulate the required funding to complete the project. It can also take multiple years to complete the project once it has commenced. Examples of such a scenario are the Vine Street Mobility Hub and Hemet Mobility Hub projects.

The Agency will always have capital needs due to replacement of retired assets, acquisition and/or upgrade of Agency infrastructure, and unique needs such as mobility hubs to serve the transportation needs of our customers. As such, the Agency should always have a backlog of open projects that preserve and enhance future operations.

A presentation will be given at the committee meeting which provides an update on the Agency's capital projects, focusing on the activities from June through August 2020. The Agency is required to provide quarterly reporting to the Federal Transit Administration (FTA) one month after the end of each quarter. This reporting was submitted.

Recommendation:

Receive and file.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 2, 2020

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Quarterly Investment Report

Summary: The Agency currently has three (3) investment vehicles for its operating and capital funds' cash balances above and beyond immediate need.

The first is the CalTRUST Short-term Fund which is managed by the CSAC Finance Corporation. The agency has multiple accounts in CalTRUST. The balances earn interest daily and investment results are provided monthly on the last day of the month.

The second is the Local Agency Investment Fund (LAIF) which is managed by the Treasurer of the State of California. The agency has only one account in LAIF. While the balance earns interest daily, investment results are only published and available on a quarterly basis – fifteen (15) days after the end of each calendar quarter.

The third is the Riverside County Treasurer's Pooled Investment Fund (County Pool) which is managed by the Treasurer of the County of Riverside. The agency has only one account in the County Pool. While the balance earns interest daily, investment results are only published and available on a quarterly basis. However, different from LAIF, County Pool results are provided as follows: approximately 30% five (5) days after the end of the quarter and the remaining 70% forty-five (45) days after the end of the quarter.

The attached report presents investment performance for the 4th quarter of FY20 (as of June 30, 2020).

Recommendation:

Receive and file.

RIVERSIDE TRANSIT AGENCY
Investment Report
For the Quarter Ended June 30, 2020

Investment Type	Institution	Amount of Investment at 06/30/20	Current Market Value at 06/30/20	Quarter to Date Average Rate of Interest Earned	Effective Interest Rate for the Quarter	Quarter to Date Interest Earned
Local Agency Investment Fund (LAIF)	State of California	\$2,875,653.38	\$2,889,780.88	1.41%	1.36%	\$10,826.07
Riverside County Treasurer Pooled Investment Fund	County of Riverside	\$10.21	\$10.21	0.95%	0.95%	\$0.03
CalTrust Short Term Fund	CalTrust	\$53,347,287.92	\$53,347,287.92	1.20%	4.80%	\$720,576.94

Note: Sufficient funds are available to meet the next 60 days' operating and 90 days' capital obligations. Additionally, the above portfolio conforms with the Agency's Investment Policy.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 2, 2020

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Quarterly Natural Gas Procurement Status Report

Summary: Prior to August 1, 2013, the Agency had always purchased its natural gas (converted to compressed natural gas or CNG) requirements for fueling revenue and non-revenue vehicles from the Southern California Gas Company (SoCalGas). The cost of the gas from SoCalGas included the commodity cost of the gas as well as the transmission costs and related taxes/fees.

In February 2018, the Board authorized staff to enter into a second multi-year contract with GHI LLC (GHI) for the Agency's natural gas commodity requirements for conversion to CNG. In addition, GHI continues to manage the agency's participation in the Low Carbon Fuel Standards (LCFS) Credit program with the state. Highlights of the current contract with GHI are as follows:

- GHI provides a fixed 10% discount off the SoCalGas commodity cost from July 2018 through June 2021 (the first 3 years of the contract)
- GHI provides a fixed 11% discount off the SoCalGas commodity cost from July 2021 through June 2023 (the last 2 years of the contract)
- GHI provides the Agency with 12% of the total Renewable Identification Number (RINs) Credits earned from July 2018 through June 2023 (all 5 years of the contract)
- GHI continues to opt-in on the Agency's behalf for the California Air Resources Board (CARB) LCFS Credit program and financially administer the Agency's LCFS Credits
- GHI provides the Agency with 100% of the LCFS Credits value earned

The current Board approved Agency Investment Policy includes language regarding the purchase of natural gas requirements for conversion to CNG. The natural gas purchase language outlines the acceptable ways staff can purchase natural gas requirements for use in fueling Agency vehicles. The policy includes language describing the discipline to purchase a long-term fixed price-per-therm contract provided certain parameters are met. The policy also states that, if the Agency buys its natural gas requirements from an entity other than SoCalGas, staff would prepare a quarterly report for the Board regarding the performance results under the new purchase arrangement and provide a performance comparison to the prior purchase arrangement.

Attachment A to this staff report identifies the savings the Agency has experienced by purchasing natural gas from GHI versus purchasing it from SoCalGas. The savings are depicted for both the trailing quarter and cumulative-to-date basis.

Attachment B to this staff report identifies the RINs credits earned by the Agency under its natural gas purchase arrangement with GHI. RINs credits are earned and paid monthly. RINs revenue is depicted for both the trailing quarter and cumulative-to-date basis.

Attachment C to this staff report identifies the LCFS credits earned by the Agency under its natural gas purchase arrangement with GHI. LCFS credits are earned monthly but paid quarterly. LCFS revenue is depicted for both the trailing quarter and cumulative-to-date basis.

Attachment D to this staff report indicates the key statistics being measured and tracked to determine whether the Agency should convert from the current monthly floating index cost per therm purchase arrangement to a longer-term fixed price per therm purchase arrangement per the Investment Policy. The statistics represent the discipline installed as part of the annual investment policy.

Based on the investment policy discipline and market conditions, the Agency does not currently have any executed contract purchases.

Fiscal Impact:

Under the purchase arrangement with GHI, the Agency experienced \$14,934 of savings in the quarter covering April - June 2020 for its natural gas commodity requirements versus buying directly from SoCalGas.

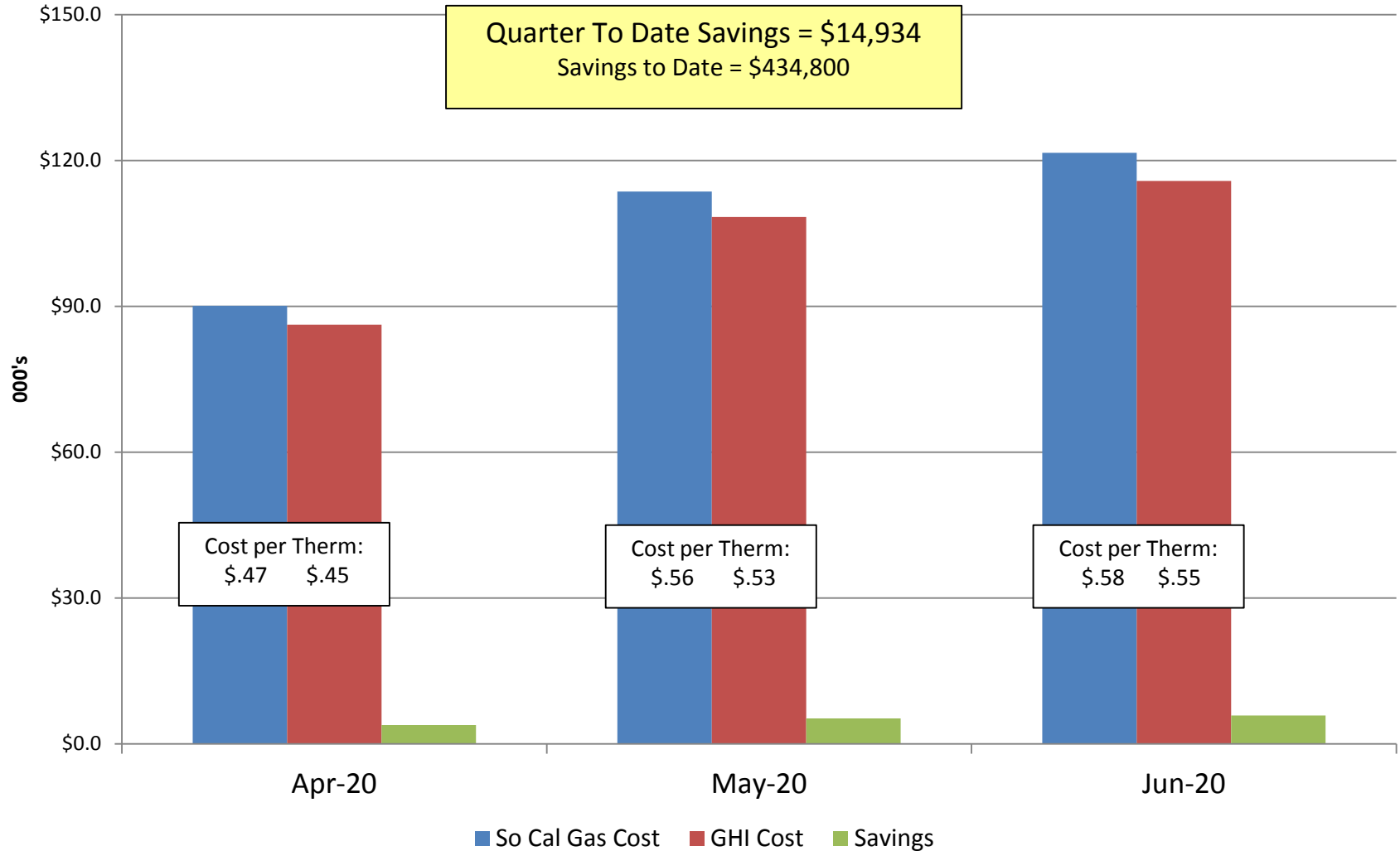
The Agency also earned a total of \$490,490 of combined revenue from the Federal RINs and State LCFS Credits' programs, as well as the Alternative Fuel Use Excise Tax Credit due to its natural gas consumption for use as CNG.

Recommendation:

Receive and file.

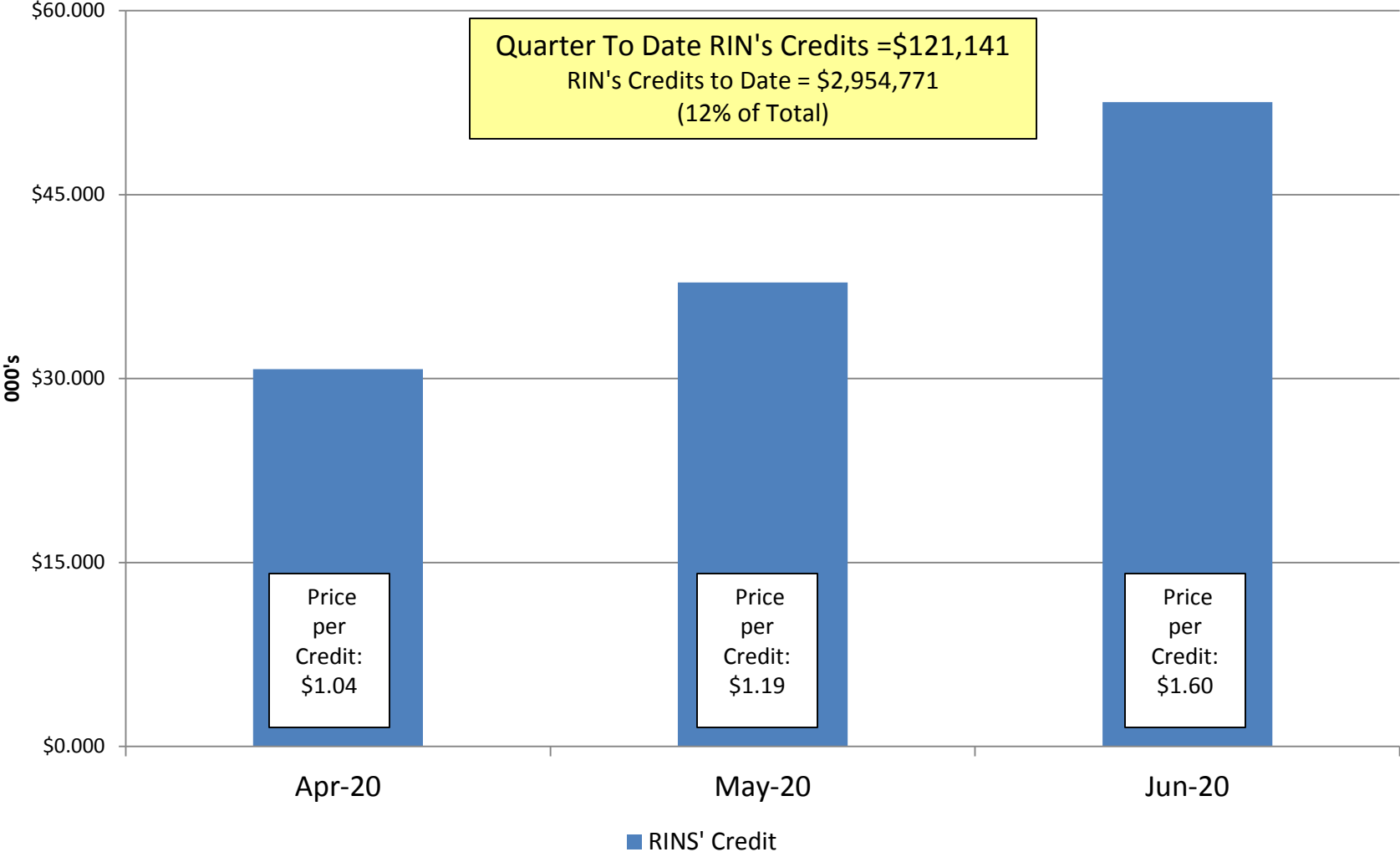
Attachment A

CNG Cost Savings - So Cal Gas vs. GHI



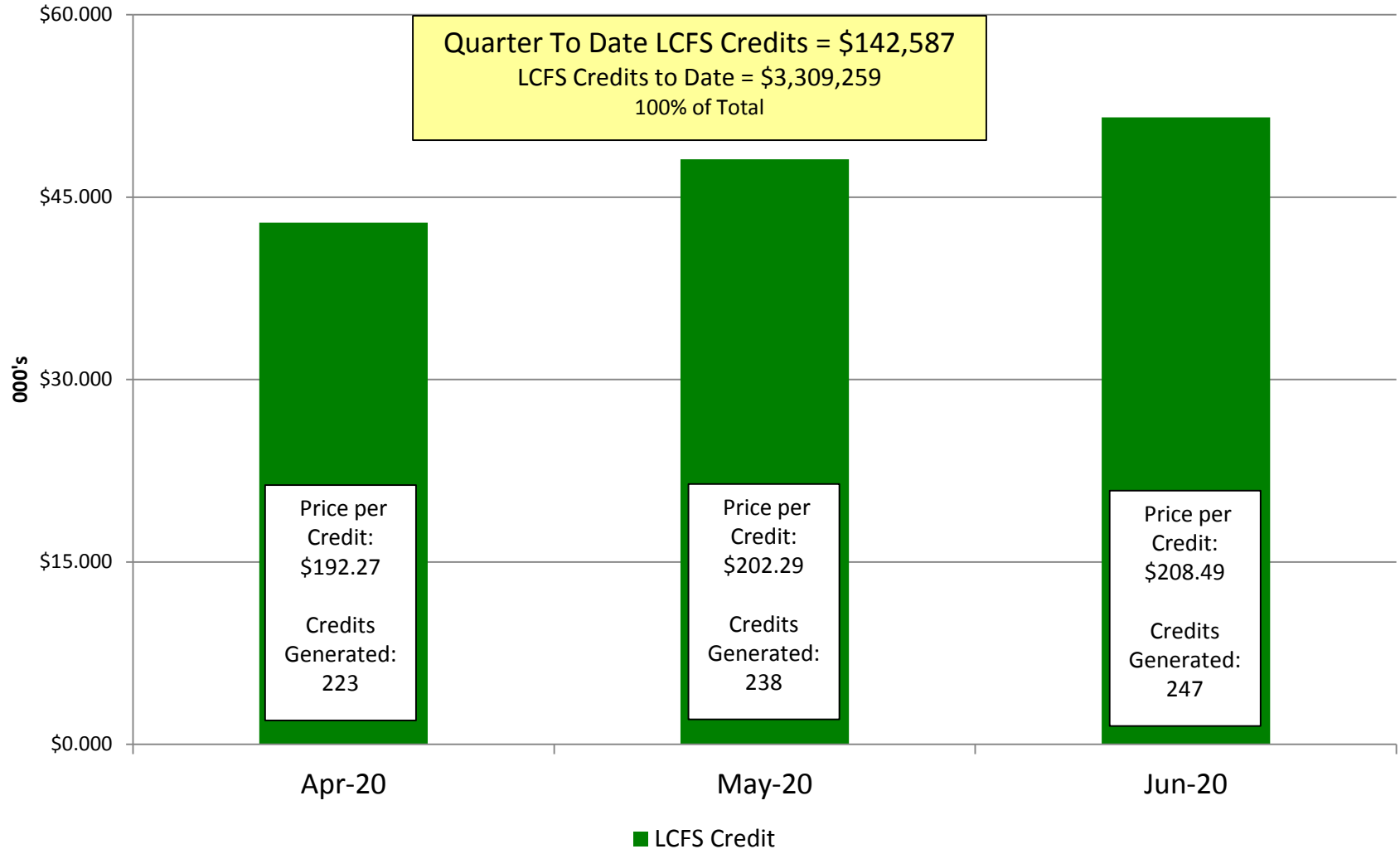
Attachment B

Renewable Identification Number (RIN's) Credit



Attachment C

Low Carbon Fuel Standards (LCFS) Credit



Attachment D

CNG Cost per Therm Trailing 3 Years (commodity cost only)

