

An aerial photograph of a city street grid, viewed from a high angle. The streets form a complex network of lines, with some major thoroughfares and many smaller local streets. The entire image is overlaid with a semi-transparent blue filter, giving it a monochromatic, official appearance.

# **ASSOCIATION OF BAY AREA GOVERNMENTS**

## **Meeting Transcript**

**NOVEMBER 17, 2022**

1                                   **ABAG ACFA GOVERNING BOARD**  
2                                   **THURSDAY, NOVEMBER 17, 2022 5:05 PM**  
3  
4   **KAREN MITCHOFF, CHAIR:** THANK YOU. I WILL CALL THE BOARD  
5 MEETING, THE GOVERNING BOARD MEETING OF ACFA TO ORDER ON  
6 THURSDAY NOVEMBER 17TH, 2022. MAY WE HAVE THE COVID  
7 ANNOUNCEMENT, PLEASE? [RECORDED MEETING PROCEDURES  
8 ANNOUNCEMENT] THIS MEETING WILL BE CONDUCTED AS A HYBRID  
9 MEETING A ZOOM WEBINAR LINK HAS BEEN PROVIDED AS WELL AS  
10 ACCOMMODATIONS FOR IN-PERSON ATTENDANCE. THIS MEETING IS BEING  
11 WEBCAST ON THE ABAG WEBSITE. THE CHAIR WILL CALL UPON  
12 COMMISSIONERS, PRESENTERS, STAFF, AND OTHER SPEAKERS, BY NAME,  
13 AND ASK THAT THEY SPEAK CLEARLY AND STATE THEIR NAMES BEFORE  
14 GIVING COMMENTS OR REMARKS. PERSONS PARTICIPATING VIA WEBCAST  
15 AND ZOOM, WITH THEIR CAMERAS ENABLED, ARE REMINDED THAT THEIR  
16 ACTIVITIES ARE VISIBLE TO VIEWERS. COMMISSIONERS AND MEMBERS  
17 OF THE PUBLIC PARTICIPATION BY ZOOM, WISHING TO SPEAK, SHOULD  
18 USE THE RAISE HAND FEATURE OR DIAL STAR 9, AND THE CHAIR WILL  
19 CALL UPON THEM AT THE APPROPRIATE TIME. TELECONFERENCE  
20 ATTENDEES WILL BE CALLED UPON BY THE LAST FOUR DIGITS OF THEIR  
21 PHONE NUMBER. IT IS REQUESTED THAT PUBLIC SPEAKERS STATE THEIR  
22 NAMES AND ORGANIZATION, BUT, PROVIDING SUCH INFORMATION IS  
23 VOLUNTARY. WRITTEN PUBLIC COMMENTS RECEIVED AT  
24 INFOATBAYAREAMETRO.GOV BY 5 P.M., YESTERDAY, WILL BE POSTED TO  
25 THE ONLINE AGENDA AND ENTERED INTO THE RECORD, BUT WILL NOT BE

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1 READ OUT LOUD. IF AUTHORS OF THE WRITTEN CORRESPONDENCE WOULD  
2 LIKE TO SPEAK, THEY ARE FREE TO DO SO. THEY SHOULD RAISE THEIR  
3 HAND AND THE CHAIR WILL CALL UPON THEM AT THE APPROPRIATE  
4 TIME. A ROLL CALL VOTE WILL BE TAKEN FOR ALL ACTION ITEMS.  
5 PANELISTS AND ATTENDEES SHOULD NOTE THAT THE CHAT FEATURE IS  
6 NOT ACTIVE. IN ORDER TO GET THE FULL ZOOM EXPERIENCE, PLEASE  
7 MAKE SURE YOUR APPLICATION IS UP-TO-DATE.

8

9 **KAREN MITCHOFF, CHAIR:** THANK YOU MR. CASTRO ROLL CALL PLEASE?

10

11 **CLERK, FRED CASTRO:** ARREGUIN?

12

13 **JESSE ARREGUIN:** HERE.

14

15 **CLERK, FRED CASTRO:** MITCHOFF?

16

17 **KAREN MITCHOFF, CHAIR:** HERE.

18

19 **CLERK, FRED CASTRO:** RAMOS?

20

21 **BELIA RAMOS:** HERE.

22

23 **CLERK, FRED CASTRO:** QUORUM IS PRESENT.

24

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1 **KAREN MITCHOFF, CHAIR:** MR. CASTRO ANY PUBLIC COMMENT ON NON-  
2 AGENDA ITEMS.

3

4 **CLERK, FRED CASTRO:** NO WRITTEN COMMENTS RECEIVED. NO ATTENDEES  
5 WITH A HAND RAISED, AND IN THE BOARDROOM NO MEMBERS WITH  
6 PUBLIC COMMENT.

7

8 **KAREN MITCHOFF, CHAIR:** THANK YOU. I'M GOING TO DISPENSE WITH  
9 ITEMS 3 AND 4 AS THERE IS NO REPORT. MS. MCMILLAN ANY REPORT  
10 UNDER ITEM FIVE?

11

12 **THERESE MCMILLAN:** NO. MADAM CHAIR.

13

14 **KAREN MITCHOFF, CHAIR:** MOVING TO OUR CONSENT CALENDAR. A  
15 NUMBER OF MINUTES. IS THERE ANY PUBLIC COMMENT MR. CASTRO?

16

17 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH  
18 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED  
19 ON THIS ITEM. NO MEMBERS OF THE PUBLIC IN THE BOARDROOM FOR  
20 PUBLIC COMMENT. AND THERE IS TWO ITEMS ON CONSENT.

21

22 **KAREN MITCHOFF, CHAIR:** OH YES. THANK YOU. THE ADOPTION OF OUR  
23 RESOLUTION FOR CONTINUED MEETING. COLLEAGUES, WHO WOULD LIKE  
24 TO MOVE THIS ITEM?

25

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1 **JESSE ARREGUIN:** MOVE APPROVAL, ARREGUIN.

2

3 **KAREN MITCHOFF, CHAIR:** MOVED BY ARREGUIN, SECONDED BY RAMOS.

4 ROLL CALL, PLEASE.

5

6 **CLERK, FRED CASTRO:** ON THE MOTION. MAYOR ARREGUIN?

7

8 **JESSE ARREGUIN:** YES.

9

10 **CLERK, FRED CASTRO:** MITCHOFF?

11

12 **KAREN MITCHOFF, CHAIR:** YES.

13

14 **CLERK, FRED CASTRO:** RAMOS?

15

16 **BELIA RAMOS:** YES.

17

18 **CLERK, FRED CASTRO:** MOTION PASSES UNANIMOUSLY BY ALL MEMBERS

19 PRESENT.

20

21 **KAREN MITCHOFF, CHAIR:** ITEM SEVEN IS THE FINANCIAL AUDIT. MS.

22 BODE, AND MS. LAI.

23

24 **SUZANNE BODE:** GOOD AFTERNOON CHAIR MITCHOFF AND BOARD MEMBERS.

25 WE WILL RECEIVE A PRESENTATION FROM KATHY LAI FROM CROWE LLP

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1 WHO WILL PRESENT FINANCIAL RESULTS FROM THE AUDIT AND I'LL  
2 PRESENT THE BRIEF OVERVIEW. PLEASE BRING UP THE PRESENTATION.  
3 FOR BREVITY SAKE I'LL JUMP INTO THE AUDIT RESULTS. IF STAFF  
4 COULD PULL UP THE SLIDES FOR THE AUDIT RESULTS?

5

6 **KAREN MITCHOFF, CHAIR:** ONE MORE.

7

8 **KATHLEEN LAI:** REVIEWING FINANCIAL STATEMENT AUDIT FOR ACFA,  
9 AND DIFFERENT AND DISTINCT FROM ABAG WE CONDUCTED OUR AUDIT IN  
10 ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS. WE DO  
11 ANTICIPATE REPORTING UNMODIFIED OPINION, EXCELLENT NEWS CLEAN  
12 OPINION FOR THE YEAR WE DIDN'T HAVE ANY SIGNIFICANT  
13 DEFICIENCIES OR MATERIAL WEAKNESSES DURING OUR AUDIT. WE'LL GO  
14 OVER THE REQUIRED COMMUNICATIONS AS NOTED A LITTLE BIT SIMPLER  
15 FOR THIS ENTITY COMPARISON TO ABAG BUT AGAIN MANAGEMENT  
16 POLICIES PROCEDURES AND LIKEWISE, ACCOUNTING ESTIMATES  
17 INCLUDED ACCURATE WITHIN THE FINANCIAL STATEMENTS, NO FINDINGS  
18 NOTED TO REPORT TO THE COMMITTEE TODAY. NEXT SLIDE. ACCOUNTING  
19 STANDARDS NONE IMPACTED ON THE FINANCIAL STATEMENT AUDIT.  
20 PLEASED TO REPORT WE DIDN'T HAVE ANY MATERIAL CORRECTED OR  
21 UNCORRECTED MISSTATEMENTS RELATED TO THE AUDIT. LAST BUT NOT  
22 LEAST.

23

24 **KAREN MITCHOFF, CHAIR:** THANK YOU. LET'S GO TO THE NEXT REPORT,  
25 AND WE'LL RETURN FOR QUESTIONS.

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1

2 **SUZANNE BODE:** THANK YOU. LET'S BRING UP MY SLIDE DECK, PLEASE.

3 I WANT TO THANK, BOTH, THE CROWE TEAM AND THE MTC TEAM FOR ALL

4 THE HARD WORK IN PRODUCING TIMELY AUDITS. IT'S NOT ONLY THIS

5 ONE. AS YOU KNOW, THERE IS MANY OF THEM. SO YOU CAN BRING UP

6 MY NEXT SLIDE, PLEASE. AND THIS IS JUST -- OOPS. YEAH. SO THIS

7 IS JUST TO ECHO THE FACT THAT THIS IS 2020, WE HAVE BEEN

8 BASICALLY TAKING RESPONSIBILITY FOR THE DIRECT OVERSIGHT OF

9 THE FINANCIALS AND PREPARATION FOR ALL FINANCIAL REPORTS IN

10 CONDUCTING THE AUDIT. NEXT SLIDE PLEASE. ON THIS SLIDE, I

11 WANTED TO COVER JUST A FEW KEY POINTS. SO ON THE STATEMENT OF

12 NET POSITION, BALANCE SHEET, BASICALLY NET POSITION DECREASED

13 BY 23,000 MERELY ATTRIBUTED TO THE CHANGE IN CASH INVESTMENTS

14 DUE TO WINDING DOWN AND BASICALLY A FLAT INVESTMENT OF CONDUIT

15 DEBT BONDS IN COMPARING TO LAST YEAR, WHICH HAD 83 CONDUIT

16 DEBT ARRANGEMENTS THIS ONE ONLY HAS 70. WE DECREASED TO 70 IN

17 FY '22. THIS'S IMPACTING NOT ONLY THE REVENUE BUT ALSO THE

18 EXPENSES AND WE'LL SEE THAT IN THE NEXT SLIDE, PLEASE. SO, ON

19 THIS SLIDE, BASICALLY, YOUR REVENUE EXPENSES AND CHANGES IN

20 FUND BALANCE, BASICALLY THE REVENUE DECREASED BY 22% AGAIN

21 ATTRIBUTED TO DECREASE IN THE OVERALL PROGRAM, COSTS

22 ADMINISTER STIFFS SOME COSTS FIXED SOME VARIABLE BY FINANCIAL

23 SERVICES ONCE AGAIN IF THERE ARE NO NEW BORROWERS THOSE COSTS

24 DECREASE REVENUE DECREASE, AND LIKEWISE ON THE EXPENSE SIDE

25 OPERATING EXPENSE WOULD DECREASE WITH FEWER BONDS TO



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1 ADMINISTER, PROFESSIONAL SERVICES DECREASED AND ASSOCIATED  
2 WITH THE CONDUIT DEBT IF THERE IS LESS DEBT TO ADMINISTER  
3 SERVICE FEES GO DOWN THERE WAS CONTRIBUTION FROM ACFA TO ABAG  
4 OF 300,000 AND THAT WAS AN ITEM APPROVED BY THE BOARD TO  
5 SUPPORT ABAG ADMINISTRATIVE COSTS AND HAD THAT NOT BEEN DONE  
6 YOU WOULD HAVE A POSITIVE NET CHANGE OF 177,000 AS OPPOSED TO  
7 THE 288,000 YOU SEE CURRENTLY AND ACTUALLY AN INCREASE IN THE  
8 PRIOR YEAR FOR YOUR NET POSITION, I WANTED TO CALL THAT OUT IF  
9 YOU HAD RESTRICTED TO NET ACTIVITIES YOU WOULD HAVE HAD A  
10 SLIGHTLY DIFFERENTLY AMOUNT. NEXT SLIDE. THAT'S IT JUST A  
11 BRIEF OVERVIEW. THERE WERE ANY QUESTIONS FOR KATHY OR MYSELF?

12

13 **KAREN MITCHOFF, CHAIR:** COLLEAGUES? I JUST WANTED TO MAKE SURE  
14 THAT WE'RE STILL -- AND I ALWAYS LOOK TO MR. PAUL, BECAUSE HE  
15 WAS PART OF PUTTING THIS ALL TOGETHER. WE'RE STILL IN A GOOD  
16 FINANCIAL POSITION, EVEN NO WE DON'T HAVE AS MANY CONDUITS. I  
17 THINK THAT'S WHAT YOU REFER TO THEM. IS THAT -- DO YOU THINK,  
18 JUST A FUNCTION OF THE FACT OF COVID AND DIFFERENT THINGS? OR  
19 ARE WE JUST -- I KNOW WE DON'T HAVE, I GUESS, THE SALES TEAM  
20 OUT THERE GETTING AS MANY THINGS. ANY COMMENT MR. PAUL?

21

22 **BRAD PAUL:** YOU SUMMARIZED IT QUITE WELL. OUR COMPETITIVES  
23 OFFERED A FLEXIBILITY THAT WE HAVE NOT BEEN ABLE TO. YOU COULD  
24 DECIDE TO DO THIS, BUT THEY BASICALLY MEET EVERY WEEK. SO IF  
25 THERE ARE PEOPLE THAT NEED TO DO A DEAL QUICKLY. THEY



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1 BASICALLY CLEAR THEIR CALENDARS EVERY WEEK AT THE SAME TIME.  
2 AND SO TO BE COMPETITIVE WITH THOSE EFFORTS YOU WOULD HAVE TO  
3 SET-ASIDE AN HOUR EVERY WEEK FOR THE REST OF THE YEAR, AND I  
4 THINK THAT'S A LITTLE UNREALISTIC. THERE ARE SOME OTHER IDEAS  
5 WE HAVE. AND WE CAN COME BACK TO YOU LATER ABOUT HOW WE MIGHT  
6 MARKET IT DIFFERENTLY. WE'RE WAITING TO GET BACK THE BUSINESS  
7 PLAN FOR BAHFA IT'S GOING TO LOOK AT ISSUES ABOUT THE ABILITY  
8 OF CONDUIT FINANCING AND WHAT BAHFA MAY DO AND THE ROLE GOING  
9 FORWARD.

10

11 **KAREN MITCHOFF, CHAIR:** THAT MIGHT BE HELPFUL TO HEAR FROM  
12 STAFF CONCEPTS YOU HAVE FOR US TO BE ABLE TO MARKET BETTER AND  
13 BE MORE COMPETITIVE. MR. CASTRO ANY PUBLIC COMMENT?

14

15 **CLERK, FRED CASTRO:** THERE ARE NO MEMBERS OF THE PUBLIC WITH  
16 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED  
17 ON THIS ITEM. NO MEMBERS IN THE BOARDROOM FOR PUBLIC COMMENT.

18

19 **KAREN MITCHOFF, CHAIR:** I BELIEVE SUPERVISOR RAMOS WOULD LIKE  
20 TO MOVE THIS AND MAYOR ARREGUIN WOULD LIKE TO SECOND THIS?

21

22 **JESSE ARREGUIN:** YES.

23

24 **BELIA RAMOS:** ABSOLUTELY.

25

## Meeting Transcript

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1    **KAREN MITCHOFF, CHAIR:** THANK YOU. ROLL CALL ON THE MOTION.

2

3    **CLERK, FRED CASTRO:** ON THE MOTION MAYOR ARREGUIN?

4

5    **JESSE ARREGUIN:** YES.

6

7    **CLERK, FRED CASTRO:** MITCHOFF.

8

9    **KAREN MITCHOFF, CHAIR:** YES.

10

11    **CLERK, FRED CASTRO:** RAMOS.

12

13    **BELIA RAMOS:** YES.

14

15    **CLERK, FRED CASTRO:** MOTION PASSES UNANIMOUSLY BY ALL MEMBERS

16    PRESENT.

17

18    **KAREN MITCHOFF, CHAIR:** THANK YOU. WITH THAT OUR MEETING IS

19    ADJOURNED AND THE NEXT ACFA GOVERNING BOARD MEETING TIME WILL

20    BE ANNOUNCED. THANK YOU VERY MUCH. [ADJOURNED



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