



Imperial County Local Transportation Authority

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MEASURE D LOCAL TAXPAYER SUPERVISING COMMITTEE (LTSC)

MINUTES FOR FEBRUARY 27, 2020
9:00 AM

MEMBERS PRESENT:

Tim Jones, Roberta Burns, George Nava (Chairman)

Executive Director: Mark Baza

OTHERS PRESENT: Cristi Lerma, Michelle Bastidas, David Aguirre: ICTC Staff; Ken Pun: Pun Group

I. WELCOME AND INTRODUCTIONS

A. The meeting began at 9 a.m. Introductions were made.

II. PUBLIC COMMENTS

There were no public comments.

III. CONSENT CALENDAR

A. Approval of the minutes for February 27, 2020 (Jones). **Motion accepted.**

IV. INFORMATION / DISCUSSION CALENDAR

A. LTA TRANSIT SET-ASIDE 2% FUNDS

FY 2018-19

IVT Ride	\$350,000.00
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(Brawley, Calexico, Imperial, El Centro & West Shores)

El Centro Transfer Terminal Security	\$90,000.00
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(7th & State St Terminal)

Total Allocations FY 2018-19	\$440,000.00
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FY 2019-20

IVT Ride	\$300,000.00
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(Brawley, Calexico, Heber, Imperial, El Centro & West Shores)

Total Allocations FY 2019-20	\$300,000.00
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Available Balance 2-24-20	\$242,474.00
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- B. LTA STATE HIGHWAY SET-ASIDE 5% FUNDS
 - LTA 5% Regional Hwy Balance as of 2/24/20: **\$1,930,823**

- C. LTA BOND PROJECT UPDATE
 - 2012 Bond Remaining Project Funds
 - Brawley - \$666,629

 - 2018 Bond Remaining Project Funds
 - Calexico - \$7,986,721
 - Calipatria - \$1,392,482
 - Holtville – Fully Spent

 - 2020 Bond Refunding – in process (2012 Participating agencies: Cities of Brawley, Calexico, Calipatria, Imperial, County of Imperial)
 - Estimated Annual Cashflow Savings:
 - City of Brawley \$467,070
 - City of Calexico \$341,477
 - City of Calipatria \$124,687
 - City of Imperial \$349,473
 - County of Imperial \$532,362
 - Total: \$ 1,815,068

- D. LTA REVENUE PER CITY AND COUNTY FOR FY 2013-14 TO FY 2019-20
 - Also reviewed were the Comparison Revenues per City and County report and the LTA Revenues Comparison Report

V. ACTION CALENDAR

- A. Imperial County Local Transportation Authority Annual Financial Report for the Fiscal Year Ended June 30, 2019

The CPA firm, the Pun Group, Mr. Pun presented the *LTA Annual Financial Reports, for fiscal year ended June 20, 2019*.

The LTA Local Taxpayer Supervising Committee (LTSC) “Oversight Committee” reviewed the financial reports, and recommend approval of the fiscal reports for “FY 2018-19, for the cities of Brawley, Calipatria, El Centro, Holtville, Imperial and the County of Imperial”, with support for the following recommendations for member agencies and staff:

- Member agencies to provide a list of completed projects for each fiscal year as a part of the audit process. This information will eventually be made available to the public through the LTA website.
- Staff to conduct an annual training workshop and/or have quarterly roundtables with all member agencies to alleviate any findings regarding documentation and to answer any questions.
- Staff has committed to develop a schedule to assist agencies to turn in their documentation in a timely manner, and to provide agencies a template to assist them in submitting their list of completed projects on an annual basis.

A motion was made by [Jones](#) and seconded by [Burns](#), **Motion Carried.**

B. City of Westmorland – recommendation to release LTA Board action from July 25, 2018

Subject Summary:

The LTA Oversight Committee met on July 10, 2018 to discuss the FY 2016-17 LTA audit for the City of Westmorland. At that time, the auditor presenting was Phil White from Varinek, Trine and Day (VTD). His role was to assess the risk and form an opinion based on that risk, which resulted in a disclaimed opinion. The financial statements could not be rendered to the significant material weaknesses described in the findings: “Allocation of interest earned on cash and investments; and, the City’s lack of bank reconciliations. In addition, the citywide audit was also behind, with the last complete audit in 2014.”

At that time, the Oversight Committee recommended the following:

- Require the City of Westmorland to provide an acceptable timeline of the completeness of the audit findings and allow LTA staff to withhold LTA funds from the agency and/or allow a claim reimbursement process only.

The ICTC Management Committee met on July 11, 2018 and concurred with the Oversight Committee recommendations. The LTA Board met on July 25, 2018 and directed staff to allocate LTA funds for the City of Westmorland through a claim/reimbursement process only until completion of a city audit, effective July 1, 2018.

The City of Westmorland’s corrective action plan included professional bookkeeping services be acquired for financial and accounting services. In April 2016, the city did open a separate interest-bearing account. The City also committed to provide a more in-depth reconciliation process for FY 2017-18. The City immediately began to remedy the findings and were exhibited as implemented in their LTA audit for FY 2017-18. During this process of reconciliation, the City noted that funds in the amount \$908, 930 from the general fund would be transferred to the appropriate LTA account. The city council took action to approve the transfer of funds on January 27, 2020.

Recommendation:

Therefore, the “Oversight” Committee recommends the following: “Previous action from July 25, 2018 should be released so that the city may receive their monthly allocation.

The Local Taxpayer Supervising Committee (LTSC) forward this item to the LTA Board for review and approval after public comment, if any:

1. Release the action made on July 25, 2018 where the LTA Board directed staff to allocate LTA funds for the City of Westmorland through a claim/reimbursement process until completion of a city audit, effective July 1, 2018.

VI. ADJOURNMENT

Meeting Adjourned at 11:32 p.m.