



BOARD OF DIRECTORS 2017

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AGENDA

AUDIT COMMITTEE

San Mateo County Transit District
Gallagher Conference Room – 3rd Floor
1250 San Carlos Ave., San Carlos, CA

TELECONFERENCE LOCATION: Members of the public are welcome to attend the teleconference location at 6230 Paseo Zaldivar, Tucson, AZ.

WEDNESDAY, DECEMBER 11, 2017 – 11:00 a.m.

1. Call to Order
2. Roll Call
3. Public Comment
Public comment by each individual speaker shall be limited to one minute
4. Approval of Minutes of January 25, 2017
5. Scope of the Fiscal Year 2017 Audit
6. Status of the Findings Noted in the Fiscal Year 2016 Audit
7. Status of the Accounts Receivables and Grants Billing
8. Adjourn

Committee Members: Carole Groom, Jeff Gee, Rose Guilbault

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

INFORMATION FOR THE PUBLIC

If you have questions on the agenda, please contact the District Secretary at 650-508-6242. Agendas are available on the SamTrans Website at www.samtrans.com.

The San Mateo County Transit District Board and Citizens Advisory Committee (CAC) meeting schedules are available on the Web site.

Location of Meeting

The San Mateo County Transit District Administrative Building is located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real, accessible by SamTrans bus Routes ECR, FLX, 260, 295 and 398.

[Map link](#) Additional transit information can be obtained by calling 1-800-660-4287 or 511.

Public Comment

- If you wish to address the Board, please fill out a speaker's card located on the agenda table. If you have anything that you wish distributed to the Board and included for the official record, please hand it to the District Secretary, who will distribute the information to the Board members and staff.
- Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to one minute and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, the Transit District will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the District Secretary at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@samtrans.com; or by phone at 650-508-6242, or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

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SAN MATEO COUNTY TRANSIT DISTRICT (DISTRICT)
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA

MINUTES OF AUDIT COMMITTEE MEETING
JANUARY 25, 2017

Committee Members Present: J. Gee, C. Groom (Committee Chair), R. Guilbault-via telephone

Staff Present: J. Cassman, S. Gaffney, J. Hartnett, K. Kelly, R. Lobo, M. Martinez

Others Present: Ahmad Gharaibeh, Engagement Partner and Nathan Edelman, Partner - Vavrinek, Trine, Day & Co., LLP.

Committee Chair Carole Groom called the meeting to order at 2:12 p.m.

Public Comment

None

Approval of Minutes of July 21, 2016

Motion/Second: Guilbault/Gee

Ayes: Gee, Guilbault, Groom

Review of Financial Statement for Fiscal Year 2015-2016

1. The audit is governed by Government Auditing Standards. In addition, the Government Accounting Standards Board (GASB) issues periodic pronouncements governing the presentation of information in the audit. There are no major content or format changes in the audit.
2. The audit is a clean audit, for the Agency and also for the required federal and TDA funding audits.
3. There was a "significant" finding in the audit, which is less serious than a "material" finding. The auditors found that cash balances were not reconciled in a timely fashion, which led to the need for post-closing adjustments. Finance staff has met with the auditors to fully understand the finding, and are putting in place procedures to resolve the issue in FY2016 and to make certain it does not happen again.
4. The financial statements show a reduction of \$153,202 to the Agency's assets (page 13) to reflect the removal of the figure previously included for the value of the extension of BART into San Mateo County from the District's books.
 - a. This action is consistent with GASB Statement #51, which requires agencies to report only assets that the agency owns and controls and could ultimately liquidate. It is not clear what the figure represents and how it was originally calculated but the BART extension project itself did not produce assets that meet the standards of GASB #51 for SamTrans to report.
 - b. This adjustment makes no material change to the assets of the District.

Staff noted that there is a high level of receivables that the Peninsula Corridor Joint Powers Board (JPB) owes to the District. This is due in large part to ongoing challenges with the financial system, which have slowed down SamTrans' ability to seek reimbursement from granting agencies on behalf of the JPB. An initiative, including outside consultant help, is underway to clear the backlog and to streamline future processes.

Board Members were pleased that the Agency has a relatively low unfunded pension liability. The Board members also had the opportunity to meet with audit staff, without agency staff present.

Adjourned: 2:50 p.m.