



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING MINUTES*
JANUARY 10, 2020 – 8:00AM
METRO ADMIN OFFICES
110 VERNON STREET
SANTA CRUZ, CA 95060**

A regular meeting of the Finance, Budget and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, January 10, 2020 at the METRO Admin Offices, 110 Vernon Street, Santa Cruz, CA.

The Committee Meeting Agenda Packet can be found online at www.SCMTD.com and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California. *Minutes are "summary" minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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1 **CALL TO ORDER** at 8:02 AM by Board Vice Chair Rotkin.

2 **ROLL CALL:** The following Directors were **present**, representing a quorum:

Director Trina Coffman-Gomez
Director Donna Lind
Director Donna Meyers
Director Mike Rotkin

City of Watsonville
City of Scotts Valley
City of Santa Cruz
County of Santa Cruz

Alex Clifford
Julie Sherman
Angela Aitken

METRO CEO/General Manager
METRO General Counsel
METRO CFO

Director Meyers was absent.

METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (IN ALPHABETICAL ORDER) WERE:

Debbie Kinslow, SCMTD

3 **ADDITIONS OR DELETIONS FROM AGENDA/ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

None

4 **ORAL AND WRITTEN COMMUNICATIONS TO THE FINANCE, BUDGET AND AUDIT STANDING COMMITTEE**

None.

5 MONTHLY FINANCIAL UPDATE AS OF OCTOBER 31, 2019 AND NOVEMBER 30, 2019

Angela Aitken, Chief Financial Officer, provided commentary to the November 2019 presentation.

Director Coffman-Gomez asked if METRO should consider revising a more realistic overtime budget threshold going forward. CFO Aitken responded we are considering this; and, the initial results of our investigation seem to indicate that a major contributing factor is due to employee absence as a result of various leaves of absence. Those departments that require daily staffing with overtime are: Van and Bus Operators and Customer Service Representatives.

CEO Clifford added we are fully staffed with Fixed Route Bus Operators. Upon the upcoming graduation of the current class, we should have extra personnel available.

At Director Rotkin's request, CFO Aitken provided a brief verbal breakdown by percentage/department, which illustrated the majority of overtime directly attributed to Fixed Route Bus Operators.

Director Coffman-Gomez will speak with Cabrillo College to encourage them to provide their projected enrollment information to METRO.

Director Coffman-Gomez inquired as to the non-personnel expense. CEO Clifford explained it as costs incurred during the recent negotiation process.

There was no public comment.

6 ORAL SUMMARY OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2019

Angela Aitken, Chief Financial Officer, introduced Debbie Kinslow, Finance Deputy Director, and Lorraine Bayer, Accountant II, and spoke briefly about auditor's report provided. One of the two existing audit "findings" has been cleared. Discussion ensued regarding the struggles with GFI's PEMs and TVMs, and the ability to clear the second "existing finding", etc. Staff anticipates that the second "existing finding" can be cleared in the next audit.

There was no public comment.

ACTION: MOTION TO RECOMMEND APPROVAL OF THE FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 201 AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR COFFMAN-GOMEZ

MOTION PASSED UNANIMOUSLY (Directors Coffman-Gomez, Lind & Rotkin) Director Meyers was absent.

7 REVIEW AND RECOMMEND APPROVAL OF THE JUDY K. SOUZA EV CHARGING INFRASTRUCTURE FUNDING UPDATE AND ACTION TO CREATE A LIFE OF PROJECT BUDGET

Alex Clifford, CEO, provided background to the project.

Freddy Rocha, Facilities Maintenance Manger, spoke to the staff report expanding on the technology improvements, etc. leading to the project delays and increased costs. There was also discussion regarding METRO's ability to respond to future technology changes.

Director Coffman-Gomez volunteered to talk with Monterey Bay Power regarding potential grant opportunities.

CEO Clifford provided an update on the various fueling options; i.e., hydrogen cell, electric, etc.

There was no public comment.

ACTION: MOTION TO RECOMMEND APPROVAL OF THE JUDY K. SOUZA EV CHARGING INFRASTRUCTURE FUNDING UPDATE AND ACTION TO CREATE A LIFE OF PROJECT BUDGET AS PRESENTED

MOTION: DIRECTOR COFFMAN-GOMEZ

SECOND: DIRECTOR LIND

MOTION PASSED UNANIMOUSLY (Directors Coffman-Gomez, Lind & Rotkin) Director Meyers was absent.

8 ADJOURNMENT

Director Rotkin adjourned the meeting at 8:48 AM.