



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
FINANCE, BUDGET, AND AUDIT STANDING COMMITTEE  
MEETING MINUTES\*  
MARCH 14, 2025 – 8:00 AM**

A regular meeting of the Finance, Budget, and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, March 14, 2025.

The Committee Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com). \*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 CALLED TO ORDER** by Director Lind at 8:03 AM.

**2 SAFETY DEBRIEF**

Gregory Strecker, Safety, Security & Risk Management Director, was unable to attend the meeting and provide the safety debriefing.

**3 ROLL CALL:**

Director Koenig announced he is using the emergency circumstance exception pursuant to a medical issue and requested joining the meeting via teleconference. The Board approved his request through a voice vote.

The following Directors were **present**, representing a quorum:

Director Shebreh Kalantari-Johnson	City of Santa Cruz
<b>Director Manu Koenig</b>	<b>County of Santa Cruz</b>
<b>Director Fabian Leonor</b>	<b>County of Santa Cruz</b>
<b>Director Donna Lind</b>	<b>City of Scotts Valley</b>
<b>Director Mike Rotkin</b>	<b>County of Santa Cruz</b>
Corey Aldridge	METRO CEO/General Manager
Julie Sherman	METRO General Counsel

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

Hearing none, Director Lind moved to the next agenda item.

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

Having none, Director Lind moved to the next agenda item.

**6 YEAR-TO-DATE MONTHLY FINANCIAL REPORT AS OF FEBRUARY 28, 2025**

Chuck Farmer, CFO, spoke to the presentation. He reviewed the monthly and year-to-date operating revenue and expenses, and the capital budget spends.

Discussion followed on:

- Reduction in sales tax county-wide

Staff addressed all concerns.

There were no public comments.

Hearing nothing further, Director Lind moved to the next agenda item.

**7 REVIEW AND RECOMMEND APPROVAL OF SANTA CRUZ METRO'S FY26 & FY27 PRELIMINARY OPERATING AND FY26 PRELIMINARY CAPITAL BUDGET PORTFOLIO TO THE FULL BOARD AS PRESENTED**

Chuck Farmer, CFO, spoke to the presentation. He provided a preliminary FY26-FY27 budget summary, a walk down of the FY25-FY26 budget reviewing the changes in the operating/non-operating revenues and expenses, and the full-time equivalents. He also reviewed the FY26 preliminary capital budget/portfolio and its funding sources. He emphasized this preliminary data is required by the Santa Cruz County Regional Transportation Commission (SCCRTC) by April 1, 2025 for submittal of TDA/STA claims.

Discussion followed on:

- Workers Compensation Insurance and claims
- Ballot measure campaign and polling to adjust METRO's message
- Clarification on what METRO can and cannot spend money on relating to the ballot measure campaign and the creation of a citizens group not bound by rules
- Liability insurance increase
- Reduction in funding from the SCCRTC
- Securing METRO's grant obligations

Staff addressed all concerns. Julie Sherman, Legal Counsel, added that she'd send a memo to the Board Members on the rules surrounding the ballot measure campaign.

There were no public comments.

Hearing nothing further, Director Lind called for a roll call vote.

**MOTION: RECOMMEND APPROVAL OF SANTA CRUZ METRO'S FY26 & FY27 PRELIMINARY OPERATING AND FY26 PRELIMINARY CAPITAL BUDGET PORTFOLIO TO THE FULL BOARD AS PRESENTED**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR LEONOR**

**MOTION PASSED WITH 4 AYES (Directors Koenig, Leonor, Lind and Rotkin).  
Director Kalantari-Johnson was absent.**

**8 UPDATE ON THE LINE OF CREDIT / BRIDGE LOAN**

Chuck Farmer, CFO, provided an oral update on the line of credit/bridge loan. METRO received responses from various banks, and it was decided to go with Santa

Cruz County Bank. It has an unsecured line of credit with a variable rate of 3.65% currently. This will allow METRO to draw from it on an as-needed basis. The application has been submitted and is with the underwriters.

Board Members thanked CFO Farmer on his work.

## **9 ADJOURNMENT**

Before adjourning, Director Lind mentioned a Scotts Valley Chamber of Commerce event on April 1, 2025 at 5:30 PM and will follow up with more details. Director Rotkin mentioned the upcoming Transit Employee Appreciation Event on March 18, 2025 being hosted by METRO. Director Lind adjourned the meeting at 8:51 AM.

Respectfully submitted,

Donna Bauer  
Sr. Executive Assistant