



BOARD OF DIRECTORS AGENDA

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, November 15, 2022
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. **CALL TO ORDER**
2. **ROLL CALL OF THE BOARD MEMBERS**
Dave Davis (Chair), David Tabor (Vice Chair), Jen Lemberger (Secretary), Chuck McQuary (Director), Paula Perotte (Director), Arjun Sarkar (Director).
3. **REPORT REGARDING THE POSTING OF THE AGENDA**
4. **STATUS REPORT ON THE COVID-19 STATE OF EMERGENCY (ACTION MAY BE TAKEN - ATTACHMENTS)**
Staff will request that the Board reconsider the circumstances of the COVID-19 State of Emergency.

CONSENT CALENDAR

5. **APPROVAL OF PRIOR MINUTES - (ACTION MAY BE TAKEN)**
The Board of Directors will be asked to approve the draft minutes for the meeting of November 1, 2022.
6. **CASH REPORTS - (ACTION MAY BE TAKEN)**
The Board of Directors will be asked to review and approve the Cash Reports from October 22, 2022 through November 4, 2022.

THIS CONCLUDES THE CONSENT CALENDAR

7. **PUBLIC COMMENT**
Members of the public may address the Board of Directors on items within the jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk a "Request to Speak" form that includes both a description of the subject you wish to address and, if applicable, the agenda item number for which you would like to comment. Additional public comment will be allowed during each agenda item, including closed session items. Forms are available at www.sbmttd.gov and at MTD Administrative offices.

BOARD OF DIRECTORS AGENDA

8. TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) –SANTA BARBARA METROPOLITAN TRANSIT DISTRICT (MTD) - NEXT WAVE PROJECT UPDATE – (INFORMATIONAL)

Staff will provide a presentation to the Board on the California State Transportation Agency (CalSTA) award of 2022 Cycle 5 Transit and Intercity Rail Capital Program funding to MTD.

9:00 AM TIME CERTAIN

9. AT-LARGE BOARD MEMBER POSITION – (INFORMATIONAL)

The Board will conduct interviews of the three applicants that submitted their interest in the “At-large” Director position consistent with the requirements outlined for consideration.

Interviews will be conducted in the order in which the applications were received and are as follows:

1. (9:00am) - Alberto Lapuz
2. (9:15am) - Jacob Lesner-Buxton
3. (9:30am) - Dora Foto

9:45 AM TIME CERTAIN

10. FY21-22 AUDITED FINANCIAL STATEMENTS AND REPORTS – (INFORMATIONAL - ATTACHMENTS)

The Board will be presented the draft FY 21-22 Audited Financial Statements and Reports.

11. CAPITALIZATION THRESHOLD INCREASE – (ACTION MAY BE TAKEN)

Staff requests that the Santa Barbara Metropolitan Transit District Procurement Policy minimum Capitalization threshold increase from \$500 to \$1,000.

12. SANTA BARBARA METROPOLITAN TRANSIT DISTRICT NON-REPRESENTED EMPLOYEES SALARY RANGES – (ACTION MAY BE TAKEN-ATTACHMENTS)

Staff recommends that the Board of Directors approve the Proposed Non-Represented Employee Salary Range Schedule 2023 (Exhibit A) and Proposed Non-Represented Positions and Annual Salary Ranges 2023 (Exhibit B), effective January 1, 2023.

13. TITLE VI PROGRAM: 2023 – 2025 – (ACTION MAY BE TAKEN-ATTACHMENT)

Staff recommends that the Board receive a report on the Draft “Santa Barbara Metropolitan Transit District Title VI Program: 2023 - 2025” and consider approval of the attached Resolution.

14. GENERAL MANAGER’S REPORT – (INFORMATIONAL)

The General Manager will report on any updates to district activities.

15. OTHER BUSINESS AND REPORTS – (INFORMATIONAL)

The Board will report on other related public transit issues and committee meetings.

AMERICANS WITH DISABILITIES ACT: If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 805.963.3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.

BOARD OF DIRECTORS AGENDA

PUBLIC COMMENT RELATED TO CLOSED SESSION ITEM WILL BE ALLOWED BEFORE THE RECESS

16. RECESS TO CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION - (ACTION MAY BE TAKEN)

The Board will meet in closed session, pursuant to Government Codes § 54957 and § 54954.5(e), to evaluate the performance of the District's General Manager.

17. ADJOURNMENT

AMERICANS WITH DISABILITIES ACT: If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 805.963.3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



BOARD OF DIRECTORS REPORT

MEETING DATE:	NOVEMBER 15, 2022	AGENDA ITEM: #4
DEPARTMENT:	ADMINISTRATION	
TYPE:	ACTION ITEM	
PREPARED BY:	JERRY ESTRADA	
REVIEWED BY:	GENERAL MANAGER	
SUBJECT:	STATUS REPORT ON THE COVID-19 STATE OF EMERGENCY	

RECOMENDATION:

Staff requests that the Board reconsider the circumstances of the COVID-19 State of Emergency:

1. Consider whether state or local officials continue to impose or recommend measures to promote social distancing;
2. Find that the MTD Board has reconsidered the circumstances of the state of emergency, and that State or local officials continue to impose or recommend measures to promote social distancing; and
3. Direct staff to continue to notice and hold hearings as remote hearings consistent with Government Code § 54953(e)(3).

DISCUSSION:

On January 5, 2022, Governor Gavin Newsom issued Executive Order N-1-22, which among other things set a date of April 1, 2022 for public agencies to transition back to public meetings held in full compliance with the Brown Act, including how remote participation is conducted. In September 2021, the California State Legislature passed, and the Governor signed, Assembly Bill 361 (Rivas, 2021) (AB 361), which amends the Government Code to allow Brown Act bodies to continue to meet remotely if certain elements are met. AB 361 took effect immediately, but does not supersede Executive Order N-1-22. It applies to all Brown Act boards, committees, and commissions.

On January 31, 2020, the Secretary of Health and Human Services (HHS) declared a public health emergency under section 319 of the Public Health Service Act (42 USC § 247d) in response to COVID-19. On March 13, 2020, the US President declared a national emergency concerning the COVID-19 pandemic, which has been extended until February 24, 2022. On March 4, 2020, Governor Newsom declared a state of emergency for conditions caused by COVID-19, which has been extended until March 31, 2022. On March 12, 2020, the Santa Barbara County Director of Emergency Services proclaimed a Local Emergency as a result of the COVID-19 and the Santa Barbara County Health Officer declared a Local Health Emergency, due to the imminent and proximate threat to public health from the introduction of COVID-19. Thereafter, on March 17,

BOARD OF DIRECTORS REPORT

2020, the Santa Barbara County Board of Supervisors ratified the Proclamation of a Local Emergency and the Declaration of a Local Health Emergency, which remain in effect.

As of February 15, 2022, Santa Barbara County Public Health Officials continue to recommend utilizing teleconferencing options for public meetings as an effective social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from the COVID-19 disease (attached). As of November 4, 2022, the COVID-19 community transmission level is categorized as “low” in Santa Barbara County by the Centers for Disease Control & Prevention (CDC). As of November 4, 2022, the Santa Barbara County Public Health Department reports a case rate of 19 per 100,000 and a 4.8% test positivity rate. The County Health Officer and the California Department of Public Health continue to recommend all individuals wear a face covering in public indoor settings.

ATTACHMENTS:

- Health Officials AB 361 Social Distance Recommendation
- State of California Executive Order N-1-22

ATTACHMENT A



Public Health Administration

300 North San Antonio Road ♦ Santa Barbara, CA 93110-1316
805/681-5100 ♦ FAX 805/681-5191

Van Do-Reynoso, MPH, PhD *Director*
Suzanne Jacobson, CPA *Chief Financial Officer*
Paige Batson, MA, PHN, RN *Deputy Director*
Darrin Eisenbarth *Deputy Director*
Dana Gamble, LCSW *Interim Deputy Director*
Polly Baldwin, MD, MPH *Medical Director*
Henning Ansorg, MD *Health Officer*

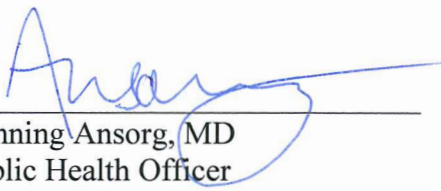
HEALTH OFFICIALS AB 361 SOCIAL DISTANCE RECOMMENDATION

Issued: September 28, 2021

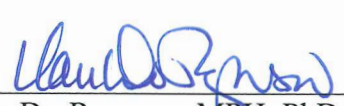
COVID-19 disease prevention measures, endorsed by the Centers for Disease Control and Prevention, include vaccinations, facial coverings, increased indoor ventilation, handwashing, and physical distancing (particularly indoors).

Since March 2020, local legislative bodies-such as commissions, committees, boards, and councils- have successfully held public meetings with teleconferencing as authorized by Executive Orders issued by the Governor. Using technology to allow for virtual participation in public meetings is a social distancing measure that may help control transmission of the SARS-CoV-2 virus. Public meetings bring together many individuals (both vaccinated and potentially unvaccinated), from multiple households, in a single indoor space for an extended time. For those at increased risk for infection, or subject to an isolation or quarantine order, teleconferencing allows for full participation in public meetings, while protecting themselves and others from the COVID-19 virus.

Utilizing teleconferencing options for public meetings is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from the COVID-19 disease. This recommendation is further intended to satisfy the requirement of the Brown Act (specifically Gov't Code Section 54953(e)(1)(A)), which allows local legislative bodies in the County of Santa Barbara to use certain available teleconferencing options set forth in the Brown Act.



Henning Ansorg, MD
Public Health Officer
County of Santa Barbara



Van Do-Reynoso, MPH, PhD
Public Health Director
County of Santa Barbara

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-1-22

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS on March 12, 2021, I issued Executive Order N-25-20, paragraph 11, and on March 17, 2020, I issued Executive Order N-29-20, paragraph 3, waiving certain requirements that public meetings of state bodies occur in-person; and

WHEREAS on June 11, 2021, I issued Executive Order N-08-21 to roll back certain provisions of my COVID-19-related Executive Orders and to clarify that other provisions remained necessary to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic; and

WHEREAS paragraph 42 of Executive Order N-08-21 specified that the waiver of requirements that public meetings of state bodies occur in-person would be valid through September 30, 2021; and

WHEREAS on September 16, 2021, I signed into law Assembly Bill 361 (AB 361), which amended the Government Code and Education Code to provide additional flexibility for state bodies to conduct public meetings via teleconference through January 31, 2022; and

WHEREAS since Thanksgiving, the statewide seven-day average case rate has increased by 805% and the number of COVID-19 hospitalized patients has increased by 154%; and

WHEREAS this surge is being driven by the recent emergence of the Omicron variant, which has recently been estimated to account for approximately 70% of cases sequenced nationally; and

WHEREAS early data suggest that the Omicron variant is more transmissible than the Delta variant; and

WHEREAS requiring large numbers of individuals to gather, and potentially travel long distances, for in-person public meetings could potentially, and unnecessarily, expose numerous people to COVID-19, further contribute to the ongoing surge in cases caused by the Omicron variant, compound disruptions to our economy, and undermine public health measures during the current State of Emergency; and

WHEREAS when the Legislature considered AB 361 this past fall, the Omicron variant had not emerged, and the virus had not demonstrated the ability to evade immunity; and

WHEREAS in light of the present surge in cases due to the Omicron variant, and to protect the public health and safety, it is necessary to temporarily extend the flexibilities for state bodies to conduct teleconferences under AB 361 beyond January 31, 2022, to provide state bodies the option of conducting public meetings remotely to reduce the risk of in-person exposure to members of the staff body, staff, and members of the public; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with the statutes specified in this Order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, and in particular, Government Code sections 8567, 8571, and 8627 do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. The sunset dates in Education Code section 89305.6, subdivision (g), and Government Code section 11133, subdivision (g), are suspended until March 31, 2022.
2. This Order shall expire at 11:59 p.m. on April 1, 2022.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 5th day of January 2022.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY WEBER, PH.D.
Secretary of State



BOARD OF DIRECTORS DRAFT MINUTES

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, November 1, 2022
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

Chair Dave Davis called the meeting to order at 8:30 AM.

2. ROLL CALL OF THE BOARD MEMBERS

Chair Davis reported that all members were present.

3. REPORT REGARDING THE POSTING OF THE AGENDA

Evelyn Orozco, Human Resources Assistant reported that the agenda was posted on Thursday October 27, 2022, at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website.

4. STATUS REPORT ON THE COVID-19 STATE OF EMERGENCY (ACTION MAY BE TAKEN - ATTACHMENTS)

The Board reconsidered the circumstances of the COVID-19 State of Emergency.

Secretary Lemberger moved to approve staff's recommendation to continue to allow noticing and holding remote hearings, consistent with Government Code § 54953(e)(3). Vice Chair Tabor seconded the motion. Chair Davis held a roll call vote and the motion passed unanimously.

CONSENT CALENDAR

5. APPROVAL OF PRIOR MINUTES - (ACTION MAY BE TAKEN)

The Board of Directors was asked to approve the draft minutes for the meeting of October 18, 2022.

6. CASH REPORTS - (ACTION MAY BE TAKEN)

The Board of Directors was asked to review and approve the Cash Reports from October 8, 2022 through October 21, 2022.

Vice Chair Tabor moved to approve the consent calendar with edits to the minutes recommended by Chair Davis to revise language on item number 9 to reflect, "no action was taken on agenda items eight and nine." Director Perotte seconded the motion.

BOARD OF DIRECTORS DRAFT MINUTES

Chair Davis held a roll call vote and the consent calendar was approved unanimously with abstention from the minutes from Director Perotte and Secretary Lemberger due to being absent from meeting.

THIS CONCLUDES THE CONSENT CALENDAR

7. PUBLIC COMMENT

No public comments were made.

8. FINAL SHORT RANGE TRANSIT PLAN – (ACTION MAY BE TAKEN–ATTACHMENT)

Planning and Marketing Manager, Hillary Blackerby requested that the Board of Directors adopt the final Short Range Transit Plan.

Director McQuary moved to adopt the Short Range Transit Plan. Vice Chair Tabor seconded the motion. Chair Davis held a roll call vote and motion was approved unanimously.

9. CONTRACT AWARD RECOMMENDATIONS TO IMPLEMENT CONTACTLESS PAYMENT SOLUTIONS– (ACTION MAY BE TAKEN–ATTACHMENT)

Purchasing Agent, Valerie White requested that the Board of Directors authorize the General Manager to leverage State of California Department of General Services Contracts to implement Contactless Payment Solutions.

Director Perotte moved to authorize the General Manager to leverage State of California Department of General Services Contracts to implement Contactless Payment Solutions. Director Sarkar seconded the motion. Chair Davis held a roll call vote and motion was approved unanimously.

10. CAPITAL PROJECTS UPDATE– (INFORMATIONAL)

Capital Projects Manager, Ryan Gripp and Temporary Project Development Specialist, Dave Rzepinski provided a presentation updating the Board on MTD capital projects.

11. ANNUAL ELECTION OF BOARD OFFICERS – (ACTION MAY BE TAKEN)

The Board held elections for Board assignments.

Director McQuary moved to keep the elected officers as is with Dave Davis as Chair, David Tabor as Vice Chair, and Jennifer Lemberger as Secretary. Director Sarkar seconded the motion. The motion was approved unanimously.

12. GENERAL MANAGER’S REPORT – (INFORMATIONAL)

General Manager Estrada provided an update on district activities.

14. OTHER BUSINESS AND REPORTS – (INFORMATIONAL)

The Board will report on other related public transit issues and committee meetings.

PUBLIC COMMENT RELATED TO CLOSED SESSION ITEM WILL BE ALLOWED BEFORE THE RECESS

13. RECESS TO CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION - (ACTION MAY BE TAKEN)

BOARD OF DIRECTORS DRAFT MINUTES

The Board will meet in closed session, pursuant to Government Codes § 54957 and § 54954.5(e), to evaluate the performance of the District's General Manager.

No public comments were made in regards to closed session.

Chair Davis recessed the Board to Closed Session at 10:02 AM.

The Board reconvened from Closed Session at 10:34 AM. Chair Davis reported that no action was taken.

15. ADJOURNMENT

The meeting was adjourned at 10:35 AM.

Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of November 15, 2022
For the Period October 22, 2022 through November 4, 2022

MONEY MARKET

Beginning Balance October 22, 2022 **\$4,689,763.30**

Prepays & Advertising	228,286.94
UCSB Fares	114,143.46
Passenger Fares	97,902.64
Property Tax Revenue	61,486.03
Accounts Receivable	42,964.90
Miscellaneous Income	916.70
Total Deposits	545,700.67

Miscellaneous Transfers	(1,066.12)
Bank & Credit Card Fees	(1,344.95)
401(k)/Pension Transfer	(29,508.30)
Payroll Taxes	(155,647.15)
Payroll	(354,381.82)
Accounts Payable	(365,853.99)
Total Disbursements	(907,802.33)

Ending Balance **\$4,327,661.64**

CASH INVESTMENTS

LAIF Account	\$5,922,793.23
Money Market Account	4,327,661.64

Total Cash Balance **\$10,250,454.87**

SELF INSURED LIABILITY ACCOUNTS

WC / Liability Reserves	(\$4,481,377.63)
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Working Capital **\$5,769,077.24**

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

Date	Company	Description	Amount
10/24/2022	SB School District	Passes/Token Sales	9,607.50
10/26/2022	College of Law	Advertising on Buses	7,114.40
10/26/2022	Moonlight Graphics/Mktg	Advertising on Buses	5,364.00
10/26/2022	UCSB - Parking Services-7001	Passes/Passports Sales	2,680.00
10/26/2022	Wells Marketing, LLC	Advertising on Buses	1,731.60
10/27/2022	Handlpartners (McDonalds)	Advertising on Buses	8,323.00
10/28/2022	Montecito Bank & Trust	Advertising on Buses	2,722.00
10/28/2022	Wells Marketing, LLC	Advertising on Buses	1,328.40
10/28/2022	Wells Marketing, LLC	Advertising on Buses	225.00
11/2/2022	SB School District	Passes/Token Sales	2,475.00
11/3/2022	Public Surplus	Sale of Surplus Property	1,394.00
Total Accounts Receivable Paid During Period			\$42,964.90

Santa Barbara Metropolitan Transit District
Accounts Payable

Check #	Date	Company	Description	Amount	Voids
130731	10/27/2022	ABC BUS COMPANIES INC	BUS PARTS	149.09	
130732	10/27/2022	BYD MOTORS LLC	CAPITAL LEASE PAYMENT	31,625.22	
130733	10/27/2022	CUMMINS SALES & SERVICE dba	BUS PARTS & REPAIRS	387.16	
130734	10/27/2022	CROSSLINE SUPPLY LLC	BUS PARTS	1,250.63	
130735	10/27/2022	CA DEPT. OF TAX & FEE ADMIN.	QTRLY USER FUEL TAX	1,241.00	
130736	10/27/2022	CDTFA	SALES/CONSUMER USE TAX	1,983.00	
130737	10/27/2022	DUNN EDWARDS CORPORATION	B&G SUPPLIES	139.13	
130738	10/27/2022	DOCUPRODUCTS CORPORATION	COPIER MAINTENANCE/SUPPLIES	307.15	
130739	10/27/2022	ECO-T TIRE & RETREADING, LLC	BUS TIRE MOUNTING	1,323.92	
130740	10/27/2022	EDM TECHNOLOGY, INC	BUS PASS PRINTING	7,000.00	
130741	10/27/2022	FEDEX dba	FREIGHT CHARGES	32.91	
130742	10/27/2022	GIBBS INTERNATIONAL INC	BUS PARTS	946.24	
130743	10/27/2022	GILLIG LLC	BUS PARTS	964.41	
130744	10/27/2022	GOODYEAR TIRE & RUBBER CO	BUS TIRE LEASE	207.64	
130745	10/27/2022	JOHN HERNANDEZ	TOOL ALLOWANCE	1,100.00	
130746	10/27/2022	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	174.93	
130747	10/27/2022	INTELLICORP RECORD INC.	PRE-EMPLOYMENT CHECK	100.00	
130748	10/27/2022	LNI CUSTOM MANUFACTURING, I	BUS SHELTERS DEPOSIT	33,922.97	
130749	10/27/2022	MARBORG INDUSTRIES (INC)	UTILITIES & RENTAL FEES	189.47	
130750	10/27/2022	MC CORMIX CORP. (OIL)	LUBRICANTS	3,559.91	
130751	10/27/2022	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	1,982.70	
130752	10/27/2022	MCMaster-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	427.19	
130753	10/27/2022	NATIONAL INTERSTATE INS INC.	LIABILITY INSURANCE	62,204.02	
130754	10/27/2022	NFI PARTS DBA	BUS PARTS	11,301.96	
130755	10/27/2022	O'REILLY AUTO PARTS DBA	BUS/SERVICE VEHICLE PARTS	40.35	
130756	10/27/2022	ROBERT HALF	TEMPORARY LABOR	1,460.00	
130757	10/27/2022	SHERWIN-WILLIAMS CORP.	BUS STOP MAINTENANCE	79.65	
130758	10/27/2022	SM TIRE, CORP.	BUS TIRE MOUNTING	533.78	
130759	10/27/2022	SMART & FINAL	OFFICE/MEETING SUPPLIES	0.00	V
130760	10/27/2022	SMART & FINAL	OFFICE/MEETING SUPPLIES	635.81	
130761	10/27/2022	SO. CAL. EDISON CO.	UTILITIES	10,418.11	
130762	10/27/2022	SOCALGAS	UTILITIES	15.16	
130763	10/27/2022	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	76.14	
130764	10/27/2022	SB CITY OF-REFUSE/WATER	UTILITIES	3,679.77	
130765	10/27/2022	TAC ENERGY LLC	RENEWABLE DIESEL	36,612.58	
130766	10/27/2022	UNITED PARCEL SERVICE, INC.	FREIGHT CHARGES	451.79	
130767	10/27/2022	J.C.M. AND ASSOCIATES INC.	UNIFORMS	67.77	
130768	10/27/2022	VASQUEZ & COMPANY LLP	ANNUAL AUDIT	8,000.00	

Check #	Date	Company	Description	Amount	Voids
130769	10/27/2022	VEHICLE MAINTENANCE PROGRA	BUS PARTS	702.35	
130770	10/27/2022	VC STAR / DESK SPINCO, INC	PUBLIC NOTICE ADS	330.44	
130771	10/27/2022	VERIZON WIRELESS	WIRELESS PHONES & AIM CELLULAR	366.43	
130772	10/27/2022	WHITE ASSOCIATES DBA	BUS PARTS AND REPAIRS	1,914.00	
130773	10/27/2022	WURTH USA WEST INC.	SHOP SUPPLIES	125.13	
130774	10/27/2022	CUMMINS SALES & SERVICE dba	BUS PARTS & REPAIRS	2,823.22	
130775	11/4/2022	ABC BUS COMPANIES INC	BUS PARTS	1,571.53	
130776	11/4/2022	BYD COACH & BUS LLC	BUS PARTS	5,085.52	
130777	11/4/2022	CELTIS VENTURES, INC.	MARKETING SERVICES	1,140.00	
130778	11/4/2022	COMPLETE COACH WORKS	FLEET RENEWAL CAMPAIGN	46,815.50	
130779	11/4/2022	CINTAS CORPORATION	FIRST AID SUPPLIES	186.90	
130780	11/4/2022	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	155.44	
130781	11/4/2022	CROCKER REFRIGERATION & AIR	HVAC MAINTENANCE	1,350.92	
130782	11/4/2022	CUMMINS SALES & SERVICE dba	BUS PARTS & REPAIRS	501.46	
130783	11/4/2022	CROSSLINE SUPPLY LLC	BUS PARTS	259.91	
130784	11/4/2022	ECO-T TIRE & RETREADING, LLC	BUS TIRE MOUNTING	661.96	
130785	11/4/2022	EMERGENCY DRAIN SERVICES DB	DRAIN SERVICES	382.50	
130786	11/4/2022	STATE OF CALIFORNIA	PAYROLL RELATED	60.00	
130787	11/4/2022	FRONTIER CALIFORNIA INC.	TELEPHONE SERVICE	1,193.50	
130788	11/4/2022	GIBBS INTERNATIONAL INC	BUS PARTS	1,585.33	
130789	11/4/2022	GILLIG LLC	BUS PARTS	3,707.28	
130790	11/4/2022	GLOBAL INDUSTRIAL DBA	B&G REPAIRS & SUPPLIES	880.44	
130791	11/4/2022	GRAPHICINK	PRINTING SERVICES	117.95	
130792	11/4/2022	GRAINGER, INC.	SHOP/B&G SUPPLIES	128.75	
130793	11/4/2022	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	36.54	
130794	11/4/2022	HR AUTOGLASS DBA	BUS PARTS/REPAIRS	285.00	
130795	11/4/2022	IMPULSE ADVANCED COMMUNIC	INTERNET	400.00	
130796	11/4/2022	I-NETT	PHONE SYSTEM MAINTENANCE CONT	543.32	
130797	11/4/2022	MAYAN LANDSCAPING	LANDSCAPE MAINTENANCE SERVICE	3,420.00	
130798	11/4/2022	MC CORMIX CORP. (OIL)	LUBRICANTS	6,504.87	
130799	11/4/2022	MCMaster-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	170.06	
130800	11/4/2022	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	2.61	
130801	11/4/2022	MOTION INDUSTRIES, INC.	BUS PARTS	306.71	
130802	11/4/2022	NEWEGG BUSINESS, INC	IT EQUIPMENT & SUPPLIES	179.04	
130803	11/4/2022	PREVOST CAR (US) INC.	BUS/SERVICE VEHICLE PARTS	75.25	
130804	11/4/2022	O'REILLY AUTO PARTS DBA	BUS/SERVICE VEHICLE PARTS	106.44	
130805	11/4/2022	PACIFIC POWER GROUP LLC	BUS PARTS	21.05	
130806	11/4/2022	ROBERT HALF	TEMPORARY LABOR	1,069.70	
130807	11/4/2022	SAFETY-KLEEN CORPORATION	SHOP SUPPLIES	523.20	
130808	11/4/2022	SANSUM CLINIC	MEDICAL EXAMS	665.00	
130809	11/4/2022	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	

Check #	Date	Company	Description	Amount	Voids
130810	11/4/2022	SILVAS OIL CO., INC.	LUBRICANTS	1,204.60	
130811	11/4/2022	SO. CAL. EDISON CO.	UTILITIES	6,771.19	
130812	11/4/2022	SOUTHWEST LIFT & EQUIPMENT,	LIFT REPAIRS & SUPPLIES	1,973.77	
130813	11/4/2022	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	949.02	
130814	11/4/2022	THE COUNTRY MEAT MARKET IN	VETERAN'S DAY BBQ	6,160.61	
130815	11/4/2022	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	200.00	
130816	11/4/2022	TAC ENERGY LLC	RENEWABLE DIESEL	36,539.78	
130817	11/4/2022	FRONTIER CALIFORNIA INC.	TELEPHONE SERVICE	848.21	
				365,853.99	
Current Cash Report Voided Checks:				0.00	
Prior Cash Report Voided Checks:				0.00	
Grand Total:				\$365,853.99	



BOARD OF DIRECTORS REPORT

MEETING DATE:	NOVEMBER 15, 2022	AGENDA ITEM: #8
DEPARTMENT:	PLANNING	
TYPE:	INFORMATIONAL ITEM	
PREPARED BY:	HILLARY BLACKERBY	_____
		<i>Signature</i>
REVIEWED BY:	GENERAL MANAGER	_____
		<i>Signature</i>
SUBJECT:	TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) – SANTA BARBARA METROPOLITAN TRANSIT DISTRICT (MTD) - NEXT WAVE PROJECT UPDATE	

DISCUSSION:

Staff will provide a presentation to the Board on the California State Transportation Agency (CalSTA) award of 2022 Cycle 5 Transit and Intercity Rail Capital Program funding to MTD. MTD was awarded a total amount of \$14,480,000. This award will help fund the purchase of eight battery-electric buses and 3 electric microtransit vans, cloud-based transit signal priority software, and facility and ZEB infrastructure improvements at Terminals 1 and 2, including the construction of new ZEB infrastructure.



BOARD OF DIRECTORS REPORT

MEETING DATE: NOVEMBER 15, 2022

AGENDA ITEM: #9

DEPARTMENT: ADMINISTRATION

TYPE: INFORMATIONAL ITEM

PREPARED BY: JERRY ESTRADA

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: AT-LARGE BOARD MEMBER POSITION – TIME CERTAIN 9:00AM

DISCUSSION:

The Board will conduct interviews of the three applicants that submitted their interest in the “At-large” Director position consistent with the requirements outlined for consideration.

Interviews will be conducted in the order in which the applications were received and are as follows:

1. (9:00am) - Alberto Lapuz
2. (9:15am) - Jacob Lesner-Buxton
3. (9:30am) - Dora Foto



BOARD OF DIRECTORS REPORT

MEETING DATE:	NOVEMBER 15, 2022	AGENDA ITEM: #10
DEPARTMENT:	FINANCE	
TYPE:	INFORMATIONAL ITEM	
PREPARED BY:	NANCY TILLIE	_____ <i>Signature</i>
	THAIS SAYAT	_____ <i>Signature</i>
REVIEWED BY:	GENERAL MANAGER	_____ <i>Signature</i>
SUBJECT:	FY21-22 AUDITED FINANCIAL STATEMENTS AND REPORTS	

DISCUSSION:

Attached are the draft audited Financial Statements and Required Supplementary Information As of and for the Fiscal Years Ended June 30, 2022 and 2021 With Independent Auditor's Report. The report has been reviewed by Management Staff of SBMTD who represent that the information provided is correct to the best of their knowledge. Vasquez & Company LLP carried out the audit and the audit results will be presented to the Board by Roger Martinez, the Partner in charge of the audit. Although the report is in draft form, there is not expected to be material changes.

The determination of whether the financial statements of an entity accurately represent its financial position is one of the main purposes of a financial audit. The Independent Auditor's Report found that "[I]n our opinion the financial statements...present fairly, in all material respects, the financial position of the Santa Barbara Metropolitan Transit District as of June 30, 2021[.]" Additionally, there were no "findings" for fiscal year 21-22 that would have reported any compliance issues with state and federal requirements.

ATTACHMENTS:

- Financial Statements & Required Supplementary Information
- Compliance Reports

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)



Santa Barbara Metropolitan Transit District
Financial Statements and
Required Supplementary Information
As of and for the Fiscal Years Ended June 30, 2022 and 2021
With Independent Auditor's Report



PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Financial Statements and
Required Supplementary Information
As of and for the Fiscal Years Ended June 30, 2022 and 2021
With Independent Auditor's Report

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District

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PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

FINANCIAL SECTION

PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)



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PHOENIX
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MANILA, PH

Independent Auditor's Report

**The Board of Directors
Santa Barbara Metropolitan Transit District
Santa Barbara, California**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the Santa Barbara Metropolitan Transit District, California (the District), as of and for the years ended June 30, 2022 and 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022 and 2021, the changes in its financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.



PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and the Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios on **page 43**, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide



PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November __, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Glendale, California
November __, 2022

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

This *Management's Discussion and Analysis for Fiscal Year 2021-22* provides a narrative and analytical overview of the financial activities of the Santa Barbara Metropolitan Transit District (the District). It is an important element of this audit report meant to provide greater understanding and insight into the financial statements. The District's basic financial statements are prepared using proprietary (enterprise) fund accounting. The District operates under one enterprise fund with an economic resources measurement focus using an accrual accounting basis. Revenue is recorded when earned and expenses are recorded when incurred.

Financial Reports

There are four basic financial statements included in this audit report followed by notes to the financial statements. *Compliance Reports*, a separate but integral part of the financial audit, provides certain supplementary information required by state and federal regulations, and the Government Accounting Standards Board (GASB). The financial statements include the following:

- The *Statements of Net Position* presents information on the District's assets, liabilities, and net position. Net position is by definition the difference between assets and liabilities.
- The *Statements of Revenue, Expenses, and Changes in Net Position* reports the District's operating and capital revenue less operating expenses to determine the change in net position. It reconciles with the ending net position shown on the *Statements of Net Position*.
- The *Statements of Expenses* provides a more detailed breakdown of the operating costs included in the *Statements of Revenue, Expenses and Changes in Net Position*.
- The *Statements of Cash Flows* reports cash and cash equivalent activities resulting from operating activities, non-capital financing activities, capital and related financing activities, and investing activities. The net result of these activities, added to the start of the year cash balance, agrees with the year-end cash and cash equivalents balance.

Financial Summary

The COVID-19 pandemic continues to affect the District's financial condition from declaration in March 2020, into the 2021-2022 fiscal period. Ridership has not fully returned from Pre-Pandemic levels, however with the lifting of State and Federal restrictions on "stay at home" orders, large group gathering and travel bans, schools are back in session and have made a significant impact on the ridership growth. As a result, the twelve months of Fare Revenue collection surpassed the FY21-22 budget by 87%. A reduction in transit services continued however not due to decreased demand, but a shortage of available drivers. There continued to be pandemic-related revenue losses and expense increases as well. The District utilized federal COVID-19 relief funds to mitigate the negative fiscal impact of these events.

The *Net Position* of the District at June 30, 2022, which measures the amount that assets exceed liabilities, was \$45.7 million, down 4% for the year. This change is based on the capital activities and the deferred inflows and outflows¹ for the year. The receipt of CARES Act funding balanced the operating budget. Without the additional funding, the District would have incurred a \$783k operating deficit in FY21-22 that would have further reduced the District's net position. This *Management's Discussion and Analysis for Fiscal Year 21-22* will further review this outcome as well as discuss the District's future financial outlook.

¹ Deferred inflows and outflows reflect adjustments to MTD's retiree health benefit liabilities.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Statements of Net Position

The \$1.7 million contraction in the District's *Net Position* was the result of a \$1.9 million decrease in the District's assets and a \$200,000 increase in its liabilities. The table below is a simplified version of the *Statements of Net Position* on page 14 of this audit report.

	2022	2021	Change
	(thousands of dollars)		
Assets			
Current assets	\$ 19,637	\$ 19,922	-1%
Non-current assets	2,170	1,936	12%
Capital assets	36,028	37,979	-5%
Total assets	57,835	59,837	
 Deferred outflows of resources	 416	 354	 18%
Total assets and deferred outflows of resources	\$ 58,251	\$ 60,191	-3%
 Liabilities			
Current liabilities	\$ 3,201	\$ 3,393	-6%
Non-current liabilities	8,977	9,312	-4%
Total liabilities	12,178	12,705	-4%
 Deferred inflows of resources	 357	 56	 538%
 Net Position			
Net investment in capital assets	34,657	36,346	-5%
Unrestricted	11,059	11,084	0%
Total net position	45,716	47,430	-4%
 Total liabilities, deferred inflows of resources and net position	 \$ 58,251	 \$ 60,191	 -3%

Assets – The \$58.2 million in *Total Assets & Deferred Outflows* at June 30, 2022, represents a 3% decline from the prior year. *Current Assets*, comprised mainly of cash, receivables, and inventory, were also down 1%. Cash and investments decreased 18% but this was more than offset by reduced yearend receivables for grant reimbursements and other receivables. Although the bus parts inventory value and prepaid expenses rose by 8%, it was relatively small in dollar value.

Non-Current Assets, excluding fixed assets, of \$2.1 million increased \$238k as advance grant funds received from University of California of Santa Barbara (UCSB) cash restricted for future capital improvements in the amount of \$102,000 and \$136,000 in Low Carbon Transit Operations Program (LCTOP) funds allocated for Electrification Infrastructure Upgrade (Haley/Salsipuedes Canopy).

The \$36 million value of the District's *Capital Assets (net)* represented a \$2 million decline from the start of FY21-22. This is reflective of \$2.8 million in newly acquired fixed assets offset by the year's \$4.4 million in asset depreciation and \$0.4 million in asset disposals/reclassifications. Capital assets also take account of a \$2.2 million capital lease for six BYD 30' electric buses. A description of the year's asset acquisitions is found later in this review.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Liabilities – FY21-22 experienced a 2% decrease in *Total Liabilities* to \$12.5 million from \$12.7 million. *Current Liabilities*, comprised of accounts payable and liabilities due within one year, were down mainly from a reduction in the Accrued Payables as there was less payroll expense accrued at year-end. For *Non-Current Liabilities*, the 4% decrease consists primarily of the reduction in OPEB of \$219k due to an updated Actuarial assessment and a reduction of Worker's Compensation projected payouts of \$119k. The OPEB retiree health benefit obligation is elaborated upon below.

Net Position – The total net position of the District decreased by 4% to \$45.7 million from \$47.4 in FY20-21. The first component of net position is *Invested in Capital Assets* of \$34.6 million. This represents the capital funding used for the District's capital assets adjusted for the accumulated depreciation expense. The District's yearend *Unrestricted Net Position* balance was \$11.1 million, unchanged from the prior year. Changes to *Unrestricted Net Position* correspond to operating surpluses and deficits. This year, the operating budget was balanced from the receipt of CARES Act funding. *Unrestricted Net Position* is representative of the *Current Assets* that are not dedicated to specific purposes or liabilities and is the source of District cash reserves.

Statements of Revenues, Expenses and Changes in Net Position

The emphasis of the *Statements of Revenues, Expenses and Changes in Net Position* is to show how all revenues and expenses lead to the change in *Net Position* for the year. It differs from a typical income statement in that it includes capital revenues. Below is a revised version of this financial statement that separates operating and capital revenue to assist in the discussion.

	2022	2021	Change
	(thousand of dollars)		
Revenues			
Fare revenue	\$ 4,679	\$ 400	1070%
LTF sales tax revenue	10,290	8,471	21%
Federal operating grants	8,476	11,590	-53%
Measure A sales tax revenue	2,885	2,398	20%
Other operating subsidies	1,245	383	225%
Property tax revenue	1,543	1,451	6%
Non-transportation income	379	347	9%
Total operating revenues	<u>26,497</u>	<u>25,040</u>	6%
STA capital revenue	2,283	884	164%
Federal capital grants	217	694	-69%
Measure A capital revenue	499	1,024	-51%
Other state capital funds	6	25	-76%
Total capital revenue	<u>3,005</u>	<u>2,607</u>	15%
Total revenue	<u>29,502</u>	<u>27,647</u>	7%
Expenses			
Route operations	15,773	14,780	7%
Vehicle maintenance	5,208	5,078	3%
Passenger accommodations	1,719	1,489	15%
General overhead	3,708	3,473	7%
Total operating expenses	<u>26,408</u>	<u>24,820</u>	6%
Gain/(loss) on disposal of assets	334	47	611%
Other post-employment benefit adjustment	110	230	-52%
Capital asset depreciation and amortization	4,364	4,607	-5%
Total non-operating expenses	<u>4,808</u>	<u>4,884</u>	-2%
Total expenses	<u>31,216</u>	<u>29,704</u>	5%
Change in net position	(1,714)	(2,057)	-17%
Net position, beginning of year	47,430	49,487	-4%
Net position, end of year	<u>\$ 45,716</u>	<u>\$ 47,430</u>	-4%

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Operating Revenue – The collection of fares, suspended in late March 2020, did not restart until near the end of FY20-21 due to the continued severity of the pandemic through most of the year. With this policy in place, contract fare revenue from the City of Santa Barbara, Santa Barbara City College (SBCC) and UCSB were also eliminated for that year. Thus, *Fare Revenue* was limited to \$400,000 in FY20-21. This compares to fares of \$5.3 million in FY19-20, which included more than three months of suspended fares. In FY18-19, the last year unaffected by the pandemic, fare income was \$7.2 million. Fare collection and most contract fare revenues are back in place for the full FY21-22. The \$4.7 million collected fare surpassed the budget of \$2.5 million.

LTF Sales Tax Revenue provided \$10.3 million in sales tax subsidies to support operations. Overall LTF sales tax receipts rose 26% from FY20-21. Increased sales and higher prices accounted for this growth. *Measure A Sales Tax Revenue* of \$2.9 million, derived from locally generated sales tax receipts, performed over budget by approximately \$487k more than FY20-21.

Federal Operating Grants from the Federal Transit Administration provided \$5.7 million. Section 5307 formula assistance in the amount of \$4.3 million, \$783k in CARES Act Funding and \$400k from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). These funds were used to pay for added operating costs associated with the Pandemic and defray revenue losses in order to balance the budget. Further discussion of these federal sources is included in the *Financial Outlook* at the end of this financial review.

Other Operating Subsidies substantially increased relative to FY20-21 as subsidized Line 28 resumed and first/last mile Amtrak commuter train services had some activity. With the continued escalation in real property values, District *Property Tax Revenue* of \$1.5 million reflected a 6% growth from the previous fiscal year. To date, this source of revenue has remained impervious to the ill effects of the coronavirus on the local economy.

Capital Revenue – The year's \$3 million in capital asset acquisitions are not included in the *Statements of Revenues, Expenses and Changes in Net Position* and are discussed separately under the *Capital Assets* section. The statement does include the revenue sources funding the FY21-22 acquisitions.

These included Measure A, State Transit Assistance, and federal funding. The local sales tax support from Measure A was \$500k; STA funds from diesel fuel sales tax and vehicle license fees contributed \$2.3 million; and federal support was from CARES Act funding of \$200k, which was allocated to fleet coronavirus mitigation measures driver barriers and bus air filtration systems.

Operating Expenses – The District expended \$26.5 million for the provision of transit service during FY21-22. The increase of 6% from the previous fiscal year demonstrates the impact of increasing scheduled service. Employment levels are still below the budgeted amount as a result of the pandemic, therefore service was decreased. Losses on asset disposal made up the largest percentage of change; the dollar amount was \$334k. This represented a reclassification of a study project being completed.

PRELIMINARY DRAFT REPORT
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Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Service Level – With route services being restored throughout FY21-22 as the fleet was made Covid ready, amongst a continuum of restrictions being carefully lifted, expenses rose to cover operations. There remains a shortage of bus operators, however and resulting in some services being reduced further by 12.9%. As previously noted the service level was 5% less than budget plan. Operating expenses were \$1.3 million less than expected over a number of categories driver wages and benefits, fuel, lubricants, tire leasing, and other variable costs.

Employment Level – In the FY20-21 SBMTD experienced a sizeable loss of drivers from attrition and retirements exacerbated by the DMV's suspension of new driver testing. Even with intensive recruitment efforts, the organization was unable to reach the goal of 135 FTE for drivers. There is still an industry-wide and local labor shortage impacting not only drivers, but positions in several areas of the organization. Fringe benefits are driven by the employment level (e.g., pension and health costs), thus keeping operating costs from reaching the budget projection.

Risk & Safety – There was an 18% reduction in workers' compensation outlays and claim reserves relative to FY20-21. The predominant factors were lower claim reserves for the current year and a downward adjustment in reserves for events occurring prior to FY21-22.

Bus Fuel – The renewable diesel contract at \$1.65 per gallon was extended through 6/30/2022, keeping fuel costs below the budgeted amount for FY 21-22.

COVID-19 Costs – Increasing FY21-22 costs was \$287,000 in outlays for the daily disinfection of buses, facilities, and service vehicles as well as personal protective equipment for employees. With the onset of the pandemic in late FY19-20, such costs in the prior year totaled \$324,000.

Non-Operating Expenses – Non-operating costs are comprised of transactions not directly related to the District's normal business activities. The largest element is *Capital Asset Depreciation*, which represents the allocation of an asset's cost over its expected useful life. *Loss on Disposal of Assets* corresponds to the undepreciated portion of fixed assets retired before the end of their estimated lives. The *OPEB Liability Adjustment* reflects the annual change in the actuarially based retiree health benefit liability, considered an Other Post Employment Benefit (OPEB). OPEB is discussed in greater detail in a separate section later in this review.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Budget Analysis

For purposes of analysis, CARES Act funding used to offset the operating deficit and the actuarial based annual OPEB adjustment are not included in the budget variance table on the following page.² The operating deficit of \$745 thousand was ostensibly lower than the budget projection of a \$6 million shortfall. The improved outcome was achieved through much greater revenue and fewer expenses than estimated. As discussed in the comparison to prior year results, a reduced service level, full year of Fare Revenue and growth in sales tax subsidies contributed to the majority of the smaller deficit.

FY 21-22 Operating Budget Variance* (thousand of dollars)

	Actual	Budget	Variance
Revenues			
Fare revenue	\$ 4,679	\$ 2,503	87%
LTF sales tax revenue	10,290	8,191	26%
Federal operating assistance	4,693 *	5,813	-19%
Measure A sales tax revenue	2,885	2,249	28%
Other operating subsidies	1,245	1,258	-1%
Property tax revenue	1,543	1,444	7%
Non-transportation income	401	423	-5%
Total revenues	<u>25,736</u>	<u>21,881</u>	18%
Expenses			
Route operations	15,773	16,822	-6%
Vehicle maintenance	5,208	5,557	-6%
Passenger accommodations	1,719	1,821	-6%
General overhead	3,781	3,966	-5%
Total expenses	<u>26,481</u>	<u>28,166</u>	-6%
Operating income/(deficit)	\$ <u>(745)</u>	\$ <u>(6,285)</u>	

* CARES Act funding and annual OPEB adjustment excluded for budget analysis.

Operating Revenue Budget – Fare Revenue collection resumed at the end of the prior fiscal year and \$4.6 million was substantially above the projection for the year by \$2.1 million. Still operating during the Pandemic, the budget was difficult to estimate not knowing what ridership levels would be, however the ridership grew by 71% from the previous fiscal year. Conservatively, the fare income was budgeted at a 30% increase. LTF Sales Tax Revenue and Measure A Sales Tax Revenue topped the budget by 26% and 28%, respectively, due to the unexpected strength in retail sales and pricing increases as previously discussed, while only expecting to increase 2%. Federal Operating Assistance of \$5.8 million was as anticipated. Mentioned earlier, Property Tax Revenue growth continued during the year leading to a 7% increase from the budgeted amount. Housing prices rose as demand outpaced inventory.

Operating Expense Budget – Total operating expenses of \$26.5 million were 6% less than estimated. Again, the service level reduction was the largest factor in the budget variance just as it was for the prior year differential. In this case, the 183,000 revenue hours provided were 5% below the 193,000 hours budgeted. Thus, the various direct costs of providing transit were held down below forecasted levels. The District has been facing a labor shortage as many in the Transit Industry and locally.

² Relief funding and OPEB expense are not included in the budget considered by the Board.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Vacancies have been difficult to fill although recruitment efforts continue. Workers' compensation costs were also well below budget due to the downturn in claim payouts and reserves previously discussed.

Capital Assets

Capital assets with a value of \$3.005 million were acquired in FY21-22. A breakdown by asset category follows below. Revenue vehicle capital outlays included capital lease payments for the remaining six 30' Electric BYD buses, the purchase of 3- Nor Cal Microtransit

Capital Acquisitions (thousand of dollars)

<u>Asset Category</u>	<u>2021-22</u>	<u>2020-21</u>
Revenue vehicles	\$ 1,523	\$ 1,415
Passenger facilities	22	699
Property development	147	149
Non-revenue equipment	5	132
IT and security systems	8	121
Operating facilities	1,286	65
Intelligent transportation systems	13	26
Total capital acquisitions	\$ 3,005	\$ 2,607

Electric Vans and the start of the "Fleet Renewal Campaign". All work was completed to reduce driver and passenger exposure to Covid-19 through the installation of driver vapor barriers and air purification systems on the fleet. Passenger facility improvements consisted of the beginning of the Bus Stop Improvement Project. Efforts continued for the development of the District's Calle Real property. The bulk of IT system outlays was for application software to enhance route planning capabilities and efficiency. Over \$1million has been invested into the improvements at Terminal 1 for the Electric Vehicle Charger Project, Charge Ready Bridge and planning for the Terminal 2 Facility Improvements were significant. These will be discussed in the *Financial Outlook*.

Other Post-Employment Benefits (OPEB)

The District provides retiree health benefits to employees meeting certain employment criteria. For a comprehensive review of these Other Post-Employment Benefits (OPEB), see Note 15 of these Financial Statements. Per government accounting standards, a liability for the present value of future OPEB financial obligations is recorded in the *Statements of Net Position*. At the end of FY20-21, the OPEB liability was \$3.3 million, a 3% increase from the prior year. The reason for the higher liability was a lower rate as a result of the general decrease in interest rates.

To pay for future OPEB obligations, the District established an irrevocable trust in 2017, which was funded with \$1.5 million in the first two years. The estimated value of the OPEB trust at year end, including investment earnings, was \$1.9 million. Reducing the \$3.3 million liability by the trust funds, the net OPEB liability was \$1.4 million, as shown on the *Statements of Net Position*.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Financial Outlook

The COVID-19 pandemic continues to create some uncertainty around financial planning and for the ridership levels of transit services on Santa Barbara's South Coast. A \$4.7 million operating deficit is projected for FY22-23. Passenger Fares have resumed at a beyond budget during this period. Predicting operating budget outcomes will improve with fare revenue experience, however service capacity, particularly associated with the shortage of drivers will take more time. Costs have increased in labor as well as fuel. The inflation rate is averaging 8% in the first time in a decade. Although continuing deficits are expected in the near term, there are some available federal resources for support. A Short Range Transportation Plan is nearing completion which should help to provide framework upon which to build upon.

Federal Relief Funding – The District has been allocated federal economic relief funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan Act of 2021 (ARPA). For public transit, these funds are limited to covering operating and capital expenses incurred and revenues lost as a result of the pandemic. The allocations are intended to provide financial assistance for the duration of the economic fallout of the pandemic, expected to span several more years. The District has been allocated a combined \$36.7 million from the three bills. The balance remaining at June 30, 2022 is \$29 million. The funds provide support for all South Coast public transit operations and will include allocations to Easy Lift for paratransit services as needed.

Fare Revenue – Fare collection on buses resumed the last two months of FY20-21. Fare contracts with SBCC and UCSB for free student boarding went back into effect with the start of FY21-22. Bus passenger capacity limitations were fully lifted in September 2021. With these returns to normal conditions, the drastic decent of operating income in FY20-21 is behind us. Ridership is at 63.5% of the Pre-Pandemic level. Cash fares and pass sales are up to 70% of pre-pandemic levels, which is considerably higher than estimated. The question still remains as to when and to what extent overall fare revenue will return to pre-pandemic heights. The reduction in the service level impacts fares (while also decreasing expenses). A Short Range Transit Plan Study is underway and will be completed in FY 22-23 in order to assist in gauging the community's needs and recommendations for fulfilling that obligation. Of course the healthy outcome from this fiscal year is providing insight into the future funding of public transit service in on the South Coast.

Prior to the pandemic, the District's farebox return ratio³ was consistently above 25%. A better than expected fare collection took place in FY2022 rebounding from a negligible fare revenue in FY2021 of 2%. For FY21-22, the farebox ratio was projected at 9% based on the budget, although a better outcome than budgeted of 18%, was experienced. A condition for receipt of sales tax provided under the state's Transportation Development Act (TDA) is meeting a target farebox ratio that is dependent upon agency size. Last year, the state suspended the minimum farebox ratio funding criteria until further notice.

Federal §5307 Funding – The District's \$8.58 million in FTA Section 5307 Urbanized Area Formula Program in FY21-22 was allocated through the first year of the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL). The District's §5307 apportionment again included merit-based STIC program funds.

³ The farebox return ratio is equal to fare revenue divided by total operating costs. It is a key financial performance indicator measuring the extent that a transit operator is covering its operating expenses with passenger fares.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Santa Barbara UZA – One of the main determinants of the District's Section 5307 formula funding apportionment is the population of the Santa Barbara urbanized area (UZA). This population is determined by the U.S. Census Bureau. If the 2020 census finds that the Santa Barbara UZA population exceeds 200,000, under current federal methodologies the District would transition from a "small" urbanized area to a "large" urbanized area. The result could be the loss of up to several million dollars annually if this occurs, mainly due to the loss of STIC funding. Preliminary census results show the local UZA population just exceeding 200,000. However, the exact make up of UZA has not been finalized and could change this result. Adjustments in FTA funding from the census results are expected to first take effect for FY23-24.

STA Funding – State Transit Assistance Funds (STA) allocated to the District each year are held in trust by the Santa Barbara County Auditor-Controller until needed. Although available for operating purposes under certain conditions, District practice is to use STA for capital expenses. As the District incurs costs for capital projects funded with STA, a request is submitted to the County for reimbursement. Under accounting standards, STA funds held in trust are not recognized in the District's financial statements. The District's FY21-22 STA allocation was \$2.7 million while \$2.3 was spent for capital projects during the period. This increased the STA balance held by the County to \$12.7 million. The District's five-year capital budget includes full use of this balance.

Collective Bargaining Agreement – District drivers, driver supervisors, mechanics, and service workers are represented by the International Brotherhood of Teamsters Local 186. A three-year collective bargaining agreement contract was reached in July and will expire at the end of FY24-25.

CARB ICT & ZEB Goal – In 2018, the California Air Resources Board adopted the Innovative Clean Transit (ICT) regulation requiring complete transition to zero emission bus (ZEB) fleets by 2040. To accelerate the elimination of District-generated greenhouse gas emissions, the Board has adopted a goal for a carbon-free fleet by 2030. While challenging, The District is making headway toward accomplishing the goal with emission-free replacement buses on order and an increase in charging infrastructure capacity that will soon be underway.

EV Bus Acquisitions – The District currently has nine 40-ft. New Flyer battery-electric buses on order, with delivery expected beginning in December 2022 and continuing into early 2023. MTD has secured approximately \$6.0 million in FTA funds for these buses. The match for the federal funds will be covered through a number of state and local programs. With the nine new buses, the revenue vehicle bus fleet will include 23 ZEVs. MTD also has received three electric vans for the upcoming new microtransit service.

SCE Charge Ready Project – An SCE Charge Ready Heavy-Duty program grant will provide the onsite electrical capacity to install 14 new charge ports at Terminal 1. The District is responsible for the infrastructure to bring the power to the charging stations. Both SCE and the District have submitted plans to the City of Santa Barbara for review. At the completion of the project, the facility will have a total of 29 charge ports available to support the transition to zero emission buses.

Microgrid – The District was awarded a California Energy Commission grant to fund a plan for developing a microgrid at Olive Terminal. A microgrid would use solar arrays, energy storage batteries, and a power management system to maintain the District's bus charging infrastructure during power disruptions. The District has engaged the services of Calstart to develop the plan.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Management's Discussion and Analysis
Years ended June 30, 2022 and 2021 (Unaudited)

Overpass Terminal Recommissioning – Preliminary work for the reopening of the District's Overpass Terminal in the City of Goleta is underway. One goal of the project is to accommodate the dispatch of up to 30 zero-emission buses at the site. The design of the revamped facility is in the permitting stage with the goal of initiating construction project work in the spring of 2023.

Calle Real Development – Subsequent to the end of FY21-22. The Board of Directors approved an agreement for residential development of the District's Calle Real property with a Development Organization. The District property includes 19 acres of real estate north of Calle Real between Highway 154 and Tumpike Road.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's financials for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the General Manager, Santa Barbara Metropolitan Transit District, 550 Olive Street, Santa Barbara, CA 93101.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

FINANCIAL STATEMENTS

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Statements of Net Position

	June 30	
	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets		
Cash and Investments	\$ 11,223,850	\$ 13,618,203
Grants receivable	7,075,533	5,111,578
Other receivable	72,768	41,336
Materials and supplies inventories	893,522	828,980
Other current assets	371,249	322,052
Total current assets	19,636,922	19,922,149
Noncurrent assets		
Cash and Investments restricted for capital support	2,170,375	1,936,203
Capital assets:		
Tangible transit operating property	83,326,045	81,148,064
Right-of-use asset	2,174,252	2,174,252
Less: Accumulated depreciation/amortization	(49,472,777)	(45,343,640)
Capital assets, net	36,027,520	37,978,676
Total noncurrent assets	38,197,895	39,914,879
Total assets	57,834,817	59,837,028
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other post-employment benefits (OPEB)	416,598	353,733
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 58,251,415	\$ 60,190,761
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current liabilities		
Accounts payable	\$ 744,011	\$ 505,293
Accrued payroll	653,763	598,181
Accrued expenses	1,008,810	1,472,440
Compensated absences payable - current portion	526,664	564,755
Capital lease - current portion	267,910	252,346
Total current liabilities	3,201,158	3,393,015
Noncurrent liabilities		
Compensated absences payable, net of current portion	685,883	751,798
Advances on grants	2,170,375	1,936,203
Claims liability	3,664,311	3,697,929
Net OPEB liability	1,353,678	1,554,885
Capital lease, net of current portion	1,102,946	1,370,855
Total noncurrent liabilities	8,977,193	9,311,670
Total liabilities	12,178,351	12,704,685
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other post-employment benefits (OPEB)	357,301	55,726
NET POSITION		
Net investment in capital assets	34,656,664	36,346,330
Unrestricted	11,059,099	11,084,020
Total net position	45,715,763	47,430,350
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 58,251,415	\$ 60,190,761

See notes to financial statements.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Statements of Revenues, Expenses, and Changes in Net Position

	Year ended June 30	
	2022	2021
OPERATING REVENUES		
Passenger fares	\$ 4,679,202	\$ 400,145
OPERATING EXPENSES		
Route operations	15,773,462	14,780,226
Vehicle maintenance	5,208,407	5,077,825
Passenger accommodations	1,719,449	1,489,323
General overhead	3,707,973	3,472,989
Postemployment health care benefits	110,460	230,133
Total operating expenses before depreciation and amortization	26,519,751	25,050,496
Depreciation and amortization	4,363,884	4,606,845
Total operating expenses	30,883,635	29,657,341
OPERATING LOSS	(26,204,433)	(29,257,196)
NONOPERATING REVENUES (EXPENSES)		
Non-transportation revenue, including interest, advertising, rent, and miscellaneous	379,128	347,332
Taxes levied by Santa Barbara County for the District	1,543,251	1,450,823
Transportation Development Act funding and allocations	10,290,329	8,470,654
Federal grants	5,476,249	11,590,054
Measure A grants	2,885,090	2,398,429
Miscellaneous grants	1,244,990	382,778
Gain (loss) on disposal of assets	(334,098)	(46,757)
Nonoperating revenues, net	21,484,939	24,593,313
CAPITAL CONTRIBUTIONS		
Capital grants:		
Federal Transit Administration	216,623	694,377
State Transit Assistance	2,283,489	863,685
Measure A	499,172	1,024,054
Local	5,623	24,821
Total capital contributions	3,004,907	2,606,937
CHANGE IN NET POSITION	(1,714,587)	(2,056,946)
NET POSITION		
Beginning of year	47,430,350	49,487,296
End of year	\$ 45,715,763	\$ 47,430,350

See notes to financial statements.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
 Statements of Expenses

	Year ended June 30	
	2022	2021
LABOR		
Operators' wages	\$ 6,965,186	\$ 6,315,897
Other salaries and wages	4,781,571	4,554,662
Total labor	11,746,757	10,870,559
FRINGE BENEFITS		
Payroll taxes	1,042,088	968,469
Retirement plans	1,341,325	1,329,280
Health and welfare	3,046,936	3,372,135
Workers compensation	469,401	944,779
Sick pay	402,193	333,898
Holiday pay	403,291	398,013
Vacation pay	798,420	808,546
Other paid absences	114,347	90,745
Uniform and tool allowances	34,053	47,605
Total fringe benefits	7,652,054	8,293,470
SERVICES		
Professional and technical including directors' fees	473,981	321,761
Outside services	82,427	129,190
Contract maintenance services	875,392	512,160
Promotion and printing	125,616	65,715
Total services	1,557,416	1,028,826
MATERIALS AND SUPPLIES		
Fuels and lubricants	1,453,879	1,431,049
Tires and tubes	150,801	129,519
Bus parts	662,380	652,586
Other materials and supplies	262,450	219,311
Electric bus power	47,100	32,035
Total materials and supplies	2,576,610	2,464,500
UTILITIES AND TELEPHONE	251,645	267,206
CASUALTY AND LIABILITY COSTS	826,640	630,842
PURCHASED TRANSPORTATION	1,410,274	1,001,560
MISCELLANEOUS		
Dues and subscriptions	47,663	50,926
Travel, meetings and training	30,564	5,560
Purchased media	-	600
Other miscellaneous expenses	420,128	436,447
Total miscellaneous	498,355	493,533
Total expenses before depreciation and amortization	26,519,751	25,050,496
DEPRECIATION AND AMORTIZATION	4,363,884	4,606,845
TOTAL EXPENSES	\$ 30,883,635	\$ 29,657,341

See notes to financial statements.

PRELIMINARY DRAFT REPORT

(Vasquez Internal Review in Progress)

Santa Barbara Metropolitan Transit District
Statements of Cash Flows

	Year ended June 30	
	2022	2021
Cash flows from operating activities		
Receipts from transit customers	\$ 4,647,770	\$ 444,638
Payments to suppliers and vendors	(7,493,209)	(6,538,328)
Payments to employees/benefits	(19,409,732)	(18,910,375)
Net cash used in operating activities	(22,255,171)	(25,004,065)
Cash flows from noncapital financing activities		
Operating grants received	18,792,797	20,936,133
Non-transportation revenue, including advertising, rental, and miscellaneous	337,795	290,200
Taxes levied by Santa Barbara County	1,543,251	1,450,823
Net cash provided by noncapital financing activities	20,673,843	22,677,156
Cash flows from capital and related financing activities		
Acquisition of property and equipment	(2,763,884)	(2,378,394)
Proceeds from sale of assets	17,058	10,279
Payments made on capital leases	(252,345)	(237,686)
State and local grant advances	234,172	783,913
Federal, state, and local capital grants received	2,144,813	6,048,898
Net cash (used) provided by capital and related financing activities	(620,186)	4,227,010
Cash flows from investing activity		
Interest earned	41,333	57,132
Net cash provided by investing activity	41,333	57,132
Change in cash and investments	(2,160,181)	1,957,233
Cash and investments, beginning of year	15,554,406	13,597,173
Cash and investments, end of year	\$ 13,394,225	\$ 15,554,406
Cash and investments	\$ 11,223,850	\$ 13,618,203
Cash and investments restricted for capital support	2,170,375	1,936,203
TOTAL CASH AND INVESTMENTS	\$ 13,394,225	\$ 15,554,406

See notes to financial statements.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
 Statements of Cash Flows (Continued)

	Year ended June 30	
	2022	2021
Reconciliation of operating loss to net cash provided by (used in)		
operating activities		
Operating loss	\$ (26,204,433)	\$ (29,257,196)
Depreciation and amortization	4,363,884	4,606,845
Changes in:		
Other receivable - excluding grants	(31,432)	44,493
Materials and supplies inventories	(64,542)	(47,626)
Other current assets	(49,197)	(29,780)
Accounts payable and accrued expenses net of capital acquisitions	(169,330)	(369,967)
Compensated absences payable	(104,006)	32,640
Claims liability	(33,618)	(145,491)
Other post-employment benefit liabilities and related deferrals	37,503	162,017
Net cash used in operating activities	\$ (22,255,171)	\$ (25,004,065)

See notes to financial statements.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 1 REPORTING ENTITY

The Santa Barbara Metropolitan Transit District (the District), a government entity, was formed under the terms of the Santa Barbara Metropolitan Transit District Act for 1965, Part 9, of the California Public Utilities Code amended in 1967. The District provides local public transportation services to the metropolitan Santa Barbara area which encompasses the outlying communities of Goleta, Montecito, and Carpinteria.

The District is a special purpose governmental unit with no component units.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District are in conformity with accounting principles generally accepted in the United States of America applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the significant accounting policies:

Basic Financial Statements

The basic financial statements (i.e., the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; the Statements of Expenses; and the Statements of Cash Flows) report information on the enterprise activities of the District. These basic financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements—Management's Discussion and Analysis—for State and Local Governments*, and related standards; GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus 2017*; and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. The standards provide for significant changes in terminology; recognition of contributions in the Statements of Revenues, Expenses and Changes in Net Position; inclusion of a Management's Discussion and Analysis as supplementary information; and other changes.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statements of Net Position. The Statements of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review in Progress)

Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing transportation services. The principal operating revenues of the District are charges to passengers for transportation services (passenger fares). Operating expenses include the cost of providing service, including general and administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The accounting records of the District are subject to the uniform accounting system for transit districts as set forth by the Federal Transit Administration (FTA) and the California State Controller's Office.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Taxes

Taxes, including homeowners' property tax relief, are remitted from the Santa Barbara County Tax Collector. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1	
Levy Date	July 1 to June 30	
Due Date	November 1	(1st installment)
	February 1	(2nd installment)
Delinquent Date	December 10	(1st installment)
	April 10	(2nd installment)

Under California Law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the District based on complex formulas prescribed by state statutes.

Cash and investments

For purposes of the Statements of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

All investments are stated at fair value, except for certain designated money market investments that have a remaining maturity of less than one year when purchased which are stated at amortized cost. Money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and Agency obligations. Fair value is the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Investment income, including changes in fair value, is included in nonoperating revenues.

Restricted Uses of Cash

As of June 30, 2022 and 2021, the District held \$1,660,636 and \$1,523,559, respectively, of Low Carbon Transit Operations Program (LCTOP) cash restricted for Microtransit services. The District also held \$509,739 and \$406,929, respectively, of University of California of Santa Barbara (UCSB) cash restricted for future capital asset replacements or upgrades associated with Line 28 service. As of June 30, 2021, an additional \$5,715 of cash restricted for future capital bus stop improvements was received from a local agency.

Inventories

The inventories are composed of bus parts, fuels and lubricants and are valued at cost on a weighted-average basis.

Capital Assets

Capital assets are stated at cost, less accumulated depreciation computed on the straight-line method over the following lives:

Buildings	20 to 40 years
Buses and equipment	3 to 12 years
Office and shop equipment	5 to 10 years
Automotive equipment	3 to 5 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

The District's policy is to capitalize all property and equipment with a cost greater than \$500 and a useful life of more than one year.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The District accrues for vested vacation and sick pay when it is earned by employees. Regular full-time employees are entitled to accrue up to 5 weeks of vacation depending upon the employee's years of employment. Regular full-time employees are also entitled to accrue paid sick time up to a maximum of 80 hours per year. Accumulated unpaid vacation and vested sick leave pay are recorded as an expense and a liability at the time the benefit is earned. The amount of vested vacation pay accrued as of June 30, 2022 and 2021 were \$838,897 and \$901,754, respectively. The amount of vested sick pay accrued as of June 30, 2022 and 2021 were \$373,650 and \$414,799, respectively.

Claims Liability

The District's uninsured claims are accrued and charged to expense when the claims are reasonably determinable and the existence of liability is probable. The claims liability as of year-end includes an estimate for claims for worker's compensation that have been incurred but not reported (IBNR) as of year-end.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Accounting principles generally accepted in the United States of America require that the reported results must pertain to liability and asset information within certain defined timeframes.

Deferred Inflows and Outflows of Resources

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statements of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and therefore are not recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and therefore, are not recognized as revenue until that time.

Net Position

In the Statements of Net Position, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation/amortization and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review in Progress)

Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount represents net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosure. Accordingly, actual results could differ from those estimates.

Federal, State, and Local Subventions

Federal, state and local governments have made various grants and subventions available to the District for operating assistance and for various purposes connected with the planning, modernization, and expansion of transportation facilities and equipment. Grants for operating assistance, the acquisition of equipment or other capital outlay are not formally recognized in the accounts until the grant becomes a valid receivable as a result of the District's complying with appropriate grant requirements. Operating assistance grants are included in nonoperating revenues in the year in which the related expenses are incurred. Revenues earned under capital grants are recorded as capital contributions.

New Accounting Pronouncements, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the District.

GASB Statement No. 101 – *Compensated Absences*. Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The District will implement this statement when and where applicable.

GASB Statement No. 100 – *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62: Effective Date: For fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The District will implement this statement when and where applicable.

GASB Statement No. 99 – *Omnibus 2022*: Effective Date: related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District will implement this statement when and where applicable.

PRELIMINARY DRAFT REPORT

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NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements, Not Yet Effective (Continued)

GASB Statement No. 96 – Subscription-Based Information Technology Arrangements: Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District will implement this statement when and where applicable.

GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements: Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District will implement this statement when and where applicable.

NOTE 3 CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

	2022	2021
Statement of Net Position:		
Cash and investments	\$ 11,223,850	\$ 13,618,203
Cash and investments restricted for capital support	2,170,375	1,936,203
Total cash and investments	\$ 13,394,225	\$ 15,554,406

Cash and investments as of June 30, 2022 and 2021 consist of the following:

	2022	2021
Cash on hand	\$ 53,554	38,590
Deposits with a financial institution	7,437,963	9,635,745
Investments - LAIF	5,902,708	5,880,071
Total cash and investments	\$ 13,394,225	15,554,406

The District does not have a formal Investment Policy. The District is subject to state laws, codes and regulations regarding the investment of public funds.

Demand Deposits

As of June 30, 2022 and 2021, the carrying amount of the demand deposits were \$7,437,963 and \$9,635,745, respectively, and the bank balance were \$7,439,253 and \$9,600,890, respectively, of which the total amount was collateralized or insured with securities held by the pledging financial institutions in the District's name as discussed under Custodial Credit Risk. Certain cash accounts are pooled and swept nightly to a concentration account.

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NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Demand Deposits (Continued)

The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District's deposits. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the District's total deposits. Collateral is held by the pledging financial institution's trust department and is considered held in the District's name. The District may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The District has \$250,000 that is insured by the FDIC as of June 30, 2022. The remaining portion of the deposit with financial institution at June 30, 2022 and 2021, of \$7,439,253 and \$9,350,890, respectively, is collateralized as described above.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in LAIF at June 30, 2022 and 2021 was not rated.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the District's exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law.

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. All of the District's investment funds are held in two financial institutions, Union Bank (Bank) and the State of California's Local Agency Investment Fund (LAIF). All of these funds are insured or collateralized. The Bank funds are collateralized by the Bank's trust department but not in the District's name.

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Santa Barbara Metropolitan Transit District
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NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Local Agency Investment Funds (LAIF)

The District is a voluntary participant in the California State Treasurer's LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

LAIF investments include the following:

- Structured Notes – debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises.
- Asset-Backed Securities – entitle their purchaser to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMOs), small business loans or credit card receivables.

LAIF is overseen by the Local Investment Advisory Board which consists of five members, in accordance with State statute.

The District had \$5,902,708 and \$5,880,071 invested in LAIF, at June 30, 2022 and 2021, respectively. They were invested in the pooled investment funds in structured notes and asset-backed securities at 1.88% and 2.31% at June 30, 2022 and 2021, respectively. The LAIF fair value factor of 0.987125414 and 1.00008297 at June 30, 2022 and 2021, respectively, was used to calculate the fair value of the investments in LAIF. The financial statements for LAIF are available at <http://www.treasurer.ca.gov/pmia-laif/laif.asp>.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investments in LAIF totaling \$5,902,708 and \$5,880,071 as of June 30, 2022 and 2021, respectively, are measured at a mix of fair value and amortized cost, which approximates fair value.

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NOTE 4 RECEIVABLES

Grants receivable at June 30, 2022 and 2021 are summarized as follows:

	<u>2022</u>	<u>2021</u>
Federal Transit Administration	\$ 4,292,872	\$ 3,235,889
Measure A	499,172	1,024,054
TDA Receivable	2,283,489	826,814
Other	-	24,821
	<u>\$ 7,075,533</u>	<u>\$ 5,111,578</u>

Other receivables are as follows:

Trade receivables	\$ <u>72,768</u>	\$ <u>41,336</u>
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Federal Transit Administration (FTA)

Under the provisions of the grant agreements with FTA, funds are available to the District for maintenance costs, acquisition, construction, improvement and maintenance of transit facilities, transit vehicles and equipment.

State Transit Assistance (STA)

State Transit Assistance program is created under the Transportation Development Act (TDA) by the State of California (State). Funds are available to the District for maintenance costs, acquisition, construction, improvement and maintenance of transit facilities, transit vehicles and equipment.

Measure A

Measure A is a voter-approved one-half of one percent sales tax for transportation projects and programs for the purpose of improving the transportation system of the Santa Barbara County. Measure A is administered by the Santa Barbara County Association of Governments.

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Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 5 CAPITAL ASSETS

Changes in capital assets during the fiscal year ended June 30, 2022 and 2021 are as follows:

June 30, 2022	Beginning of Year	Additions	Transfers	Disposals/ Retirements/ Adjustments	End of Year
Capital assets not depreciated					
Land	\$ 5,596,296	\$ -	\$ -	\$ -	\$ 5,596,296
Work in progress	1,616,773	2,627,518	(958,275)	(331,154)	2,954,862
Total Capital Assets, Not Being Depreciated	7,213,069	2,627,518	(958,275)	(331,154)	8,551,158
Buildings	19,049,102	24,156	-	(8,369)	19,064,889
Buses	48,810,307	91,504	958,275	(230,298)	49,629,788
Right-of-use asset	2,174,252	-	-	-	2,174,252
Other equipment	6,075,586	20,706	-	(16,082)	6,080,210
Total Capital Assets, Being Depreciated	76,109,247	136,366	958,275	(254,749)	76,949,139
Less Accumulated Depreciation/Amortization	(45,343,640)	(4,363,884)	-	234,747	(49,472,777)
Total Capital Assets, Being Depreciated, Net	30,765,607	(4,227,518)	958,275	(20,002)	27,476,362
Total Capital Assets, Net	\$ 37,978,676	\$ (1,600,000)	\$ -	\$ (351,156)	\$ 36,027,520

June 30, 2021	Beginning of Year	Additions	Transfers	Disposals/ Retirements/ Adjustments	End of Year
Capital assets not depreciated					
Land	\$ 5,596,296	\$ -	\$ -	\$ -	\$ 5,596,296
Work in progress	5,832,923	385,835	(4,375,909)	(5,876)	1,816,773
Total Capital Assets, Not Being Depreciated	11,229,219	385,835	(4,375,909)	(5,876)	7,213,069
Buildings	14,305,303	699,573	4,138,825	(94,599)	19,049,102
Buses	48,009,798	1,061,960	212,127	(473,578)	48,810,307
Right-of-use asset	2,174,252	-	-	-	2,174,252
Other equipment	6,067,606	251,226	24,957	(268,203)	6,075,586
Total Capital Assets, Being Depreciated	70,556,959	2,012,759	4,375,909	(836,380)	76,109,247
Less Accumulated Depreciation/Amortization	(41,522,015)	(4,606,845)	-	785,220	(45,343,640)
Total Capital Assets, Being Depreciated, Net	29,034,944	(2,594,086)	4,375,909	(51,160)	30,765,607
Total Capital Assets, Net	\$ 40,264,163	\$ (2,228,451)	\$ -	\$ (57,036)	\$ 37,978,676

Depreciation and amortization expense for the fiscal year ended June 30, 2022 and 2021 were \$4,363,884 and \$4,606,845, respectively.

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Santa Barbara Metropolitan Transit District
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NOTE 6 LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2022 and 2021:

June 30, 2022

Type	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Capital Lease	\$ 1,823,201	\$ -	\$ (262,348)	\$ 1,370,856	\$ 267,910
Compensated Absences	1,316,553	460,749	(564,755)	1,212,547	526,664
Total	\$ 2,939,754	\$ 460,749	\$ (817,101)	\$ 2,583,402	\$ 794,574

June 30, 2021

Type	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Capital Lease	\$ 1,860,887	\$ -	\$ (237,688)	\$ 1,623,201	\$ 252,346
Compensated Absences	1,283,913	66,043	(33,403)	1,316,553	564,755
Total	\$ 3,144,800	\$ 66,043	\$ (271,089)	\$ 2,939,754	\$ 817,101

Capital Lease

The District entered into a capital lease with BYD Motors LLC for six K7 30-foot BYD battery-electric buses for the provision of public transit service. The stated lease term is 96 months from January 1, 2019, through December 31, 2026. The term for two of the six buses was delayed until April 1, 2019, when the vehicles were available for revenue service. Total monthly lease payments are \$28,573 before the application of sales tax. The initial lease liability was \$2,174,250 based upon a value of \$362,375 per bus and a 6% interest rate. The minimum lease term is 24 months and includes a buy-out option for \$362,375 per bus reduced by all lease payments made up to the time of exercise, including interest paid. The District maintains the express right to terminate the lease subject to an early termination fee of three times the monthly lease payment.

Due to delays in bringing the buses into compliance with the contract specifications, lease payments were delayed until May 2020 and made retroactively to January 2019, a date mutually agreed to between the parties based upon various in-service dates.

The annual requirements to amortize the lease payable outstanding, including interest are as follows:

Year Ending June 30	Principal	Interest
2023	\$ 267,910	\$ 74,964
2024	284,434	58,440
2025	301,977	40,896
2026	320,602	22,271
2027	195,933	4,078
	\$ 1,370,856	\$ 200,649

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NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Capital Lease (Continued)

At June 30, 2022, the cost of the assets under the capital lease was \$2,174,252 and the related accumulated depreciation and amortization were \$928,586 and \$656,804 for the year ended June 30, 2022 and 2021, respectively.

Compensated Absences

Employees annually accrue compensated absence time, consisting of vacation and sick time dependent on job classification and tenure ranging from 80 hours to 320 hours per year. Accrued compensated absences for vacation as of June 30, 2022 and 2021 were \$838,897 and \$901,754, respectively. Accrued sick pay vested as of June 30, 2022 and 2021 were \$373,650 and \$414,799, respectively.

NOTE 7 NET POSITION

The majority of unrestricted net position represents excess Transportation Development Act (TDA) revenue received. Pursuant to Section 6634 of the California Administrative Code - TDA, a transit claimant is precluded from receiving monies from the Local Transportation Fund and State Transit Assistance Fund in an amount which exceeds that claimant's capital and operating costs, less the required fares, local support, and the amount received during the year from a District or county to which the operator provides service beyond its boundaries. The District receives notification of its TDA allocation for the next fiscal year in February of the preceding year. The District's fiscal year extends from July to June. The District is required to submit its claim for the subsequent year by April 1st. As such, the claim is based on the District's draft budget for the coming year. As a result, actual operating expenditures and capital acquisitions tend to vary resulting in excess TDA revenue received and the aforementioned unrestricted net position. The funds provide working capital (cash flow) to the District throughout the year and act as a reserve for any unexpected events.

Capital Contributions

The District receives grants from the FTA, State, and local transportation funds for the acquisition of buses and other equipment and improvements. Capital contributions are recorded as revenues and the cost of the related assets are included in property and equipment. Depreciation on assets acquired with capital grant funds is included in the Statements of Revenues, Expenses, and Changes in Net Position.

Capital contributions for the fiscal year ended June 30, 2022 and 2021 were as follows:

	2022	2021
Federal Transit Administration	\$ 216,623	\$ 694,377
State Transit Assistance	2,283,489	863,685
Measure A	499,172	1,024,054
Miscellaneous grants	5,623	24,821
Total capital contributions	\$ 3,004,907	\$ 2,606,937

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Santa Barbara Metropolitan Transit District
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NOTE 8 TDA FUNDING AND ALLOCATIONS

The allocation of TDA funds to the District is subject to the provisions of Section 99268.2 of the Public Utilities Code, which includes the maintenance of a ratio of fare revenues to operating costs (farebox ratio) of at least 20%. During the fiscal year ended June 30, 2022 and 2021, the District's farebox ratio was 18% and 2%, respectively.

It is noteworthy mentioning that on June 29, 2020, the Governor approved Assembly Bill No. 90 which prohibits the imposition of penalties on an operator that does not maintain the required ratio of fare revenues to operating costs during FY 2020-2021. This bill would also exempt an operator from meeting either of those efficiency standards for the FY 2020-2021 and FY 2021-2022 fiscal years and would authorize the operator to use those funds for operating or capital purposes during that period.

TDA funding and usage for the year ended June 30, 2022 and 2021, respectively, are as follows:

	<u>2022</u>	<u>2021</u>
Funding		
Local Transportation Fund (SB 325)	\$ 10,290,329	\$ 8,470,654
State Transit Assistance Fund (SB 620)	<u>2,283,489</u>	<u>863,685</u>
	<u>\$ 12,573,818</u>	<u>\$ 9,334,339</u>
Usage		
Operations	\$ 10,290,329	\$ 8,470,654
Capital projects	<u>2,283,489</u>	<u>863,685</u>
	<u>\$ 12,573,818</u>	<u>\$ 9,334,339</u>

NOTE 9 FEDERAL GRANTS AND REIMBURSEMENTS

Federal grants and reimbursements for the year ended June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Operating grants	\$ 4,292,872	\$ 11,590,054
Capital grants	<u>216,623</u>	<u>694,377</u>
Total	<u>\$ 4,509,495</u>	<u>\$ 12,284,431</u>

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NOTE 10 RETIREMENT PLANS

Two employee groups are covered under the District's retirement plans as follows:

Employee Group	Plan Names	Retirement Plan Expense	
		2022	2021
Union	Teamsters Union	\$ 1,026,323	\$ 1,034,308
Non-Union Deferral Plan	Profit-Sharing and Salary Deferral	300,003	279,973
Total		\$ 1,326,326	\$ 1,314,281

Teamsters Union Pension Plan

This plan covers union employees and is a "cost sharing" defined benefit plan. The District had the following statistics as of June 30, 2022:

Required work hour contribution (up to 173.33 hours per month)	\$ 3.63	\$ 3.53
Total pension hours	282,440	292,405
Accrued pension	\$ 81,857	\$ 84,287

Western Conference of Teamsters Pension Trust (the Plan) is a multiemployer plan that administers the cost-sharing pension plan for those District employees covered by the collective bargaining agreement. As noted above, this is a defined benefit pension plan in which pension benefits are based on a set formula so that an employee's future benefit can be determined by the formula. Pension benefits in general are paid as monthly benefits over a participant's lifetime. The Plan has the authority to establish and/or amend the plan and its benefits. Based on the most recent actuarial certification the Plan is in the "green zone" in 2022 and 2021, meaning the Plan is in good financial position. Additional information, such as the Plan's financial reports, can be found at www.wctpension.org/site-index. In the event an employer withdraws from the Plan, the employer's withdrawal liability is based on the employer's share of the unfunded vested benefits of the multiemployer Plan.

The period of coverage for the existing collective bargaining agreement between the District and Teamsters Union-Local 186 is July 1, 2019, through June 30, 2022. In 2022 and 2021, there were 149 and 158 employees covered under the Plan, respectively. The collective bargaining agreement is the basis for determining the District's employer's required contribution as well as any changes/amendments. In 2022 and 2021, the employer's required contribution was approximately \$1 million. Based on the agreement, there are no minimum contributions required for future periods. For fiscal years 2022 and 2021, the pension payable was \$81,857 and \$84,287, respectively, since the payments for June occurred after the fiscal year end.

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NOTE 10 RETIREMENT PLANS (CONTINUED)

Profit Sharing and Salary Deferral Plan

Effective July 1, 1985, the District established the Profit Sharing and Salary Deferral Plan for non-union employees not covered by the union plan. The plan is a defined contribution plan. The plan is administered by the District, which contracts the administration to NFP Retirement.

The District contributes to the Profit-Sharing and Salary Deferral Plan an amount equal to 3% and 7%, respectively, of the compensation for all eligible participants. Contributions by the District to the Salary Deferral Plan are fully vested at the time of contribution. Contributions by the District to the Profit-Sharing Plan are vested ratably over a four-year period. The District is not obligated to make contributions to the Profit-Sharing Plan however its contributions must be regular and continuing in order for the Plan to receive favorable tax treatment under Internal Revenue Code Section 401(k).

The District's contributions for fiscal year 2022 were based upon a payroll of \$3,000,027 for non-union employees. For the year ended June 30, 2022, the District contributed \$300,003 (10% of covered payroll) and covered employees contributed \$343,803.

The District's contributions for fiscal year 2021 were based upon a payroll of \$2,799,733 for non-union employees. For the year ended June 30, 2021, the District contributed \$279,973 (10% of covered payroll) and covered employees contributed \$317,340.

NOTE 11 RISK MANAGEMENT

The District is exposed to various risks of losses related to injuries to employees and the public, damage to and destruction of assets, and errors and omissions.

The District has Self-Insured Retention policies with general liability coverage of \$15 million on any one claim, including self-insured amounts per claim as follows:

April 1, 2002 to March 31, 2023	\$250,000
April 1, 2001 to March 31, 2002	\$100,000
April 1, 1995 to March 31, 2001	\$250,000

The District has elected to self-insure its obligations for workers' compensation claims. On January 1, 2005, the District joined PRISM, formerly known as CSAC Excess Insurance Authority, with a self-insurance retention of \$500,000 and a limit of \$5 million on any one claim. As of July 01, 2020 the self-insurance retention is \$250,000. Claim amounts exceeding \$5 million are covered by PRISM. Claim amounts exceeding \$50 million are covered statutorily by Liberty Insurance Corporation.

There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the four years prior.

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NOTE 11 RISK MANAGEMENT (CONTINUED)

Expenditures and claims are recognized when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. The District's insurance adjusters and attorneys help to determine the amount of actual or potential claims against the District.

An analysis of claims activities for the District's general liability and workers' compensation claims liability is presented below:

	2022	2021
Claims liability - beginning of year	\$ 4,598,130	\$ 4,754,849
Claims and changes in estimates	532,407	588,640
Actual claim payments	(627,648)	(745,359)
Claims liability - end of year	\$ 4,502,889	\$ 4,598,130

NOTE 12 COMMITMENTS AND CONTINGENCIES

Paratransit Service – Easy Lift

For fiscal year 2022 and 2021, the District entered into an agreement with Easy Lift Transportation to provide a subsidy of \$1,010,274 and \$1,001,560, respectively, for paratransit services. The amount can be adjusted by mutual consent if the District requests an adjustment in the amount of paratransit service to be provided. If for any reason, Easy Lift failed to provide the required ADA paratransit service, the District would continue to be responsible for the service under Federal law. The District would be required to implement a replacement service on very short notice, at a cost that would likely exceed the current subsidy.

The District is required under Federal law, the Americans with Disabilities Act of 1990 (ADA), to ensure that complementary paratransit service is available wherever and whenever the District provides fixed-route bus service. The District complies with this requirement by partially subsidizing the paratransit service provided by Easy Lift Transportation. The District signed a contract with Easy Lift in May 2019 for these services. The District, by written notice, may terminate this contract, in whole or in part, when it is in its best interest.

Federal Grant Contracts

The terms of the federal grant contracts require the District to, in part, utilize the equipment and facilities for the purposes specified in the grant agreement, maintain these items in operation for a specified time period, which normally approximates the useful life of the equipment, and to comply with the Equal Employment Opportunity and Affirmative Action programs required by the Transportation Equity Act for the 21st Century. Failure to comply with these terms may jeopardize future funding and require the District to refund a portion of these grants to the Federal Department of Transportation. In management's opinion, no events have occurred that would result in the termination of these grants or require the refund of a significant amount of funds received under these grants.

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NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Lawsuits

The District is named in certain legal actions pending at June 30, 2022 and 2021. While the outcome of these lawsuits is not presently determinable, in the opinion of management of the District, based in part on the advice of counsel, the resolution of these matters is not expected to have a material adverse effect on the financial position or results of operations of the District, or is adequately covered by insurance.

NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB)

Plan Description

The District provides OPEB in the form of monthly reimbursement towards the retiree's health plan premium for eligible union retirees, and eligible staff retirees and their spouses of amounts not to exceed \$285 per month. The authorities under which benefit provisions are established or may be amended are the collective bargaining agreement for union employees and the District Board of Directors for non-union employees. Employees hired under the Collective Bargaining Agreement after March 1, 2014 are excluded from the plan. The OPEB Plan is restricted to represented employees hired before March 1, 2014, and for non-represented employees hired before July 1, 2018.

Employees Covered

Based on the OPEB actuarial valuations with measurement date of June 30, 2021, the following current and former employees were covered by the benefit terms of the OPEB Plan:

	<u>2022</u>	<u>2021</u>
Active employees	120	145
Inactive employees of beneficiaries currently receiving benefits	<u>24</u>	<u>25</u>
Total	<u>144</u>	<u>170</u>

Contributions

The contribution requirements of the District are established and may be amended by the District Board. These contributions are neither mandated nor guaranteed. The District has retained the right to unilaterally modify its payment for retiree health care benefits. For the years ended June 30, 2022 and 2021, the District has not made any contribution to the Plan. Employees are not required to contribute to the OPEB Plan.

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NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

Funding Policy and Annual OPEB Cost

During fiscal year 2017, the District joined the California Employers Retirement Benefit Trust (CERBT) to begin prefunding its OPEB obligation. CERBT is an irrevocable Section 115 agent multi-employer trust fund established by Chapter 331 of the California Statutes of 1988 dedicated to prefunding OPEB for all eligible California public agencies and is administered by CalPERS. At the time of inception, the District elected to establish the trust with a \$1,000,000 contribution. In fiscal year 2018, an additional \$500,000 contribution to the trust was made. Funding is not based on actuarially determined contributions and contributions are neither statutory nor contractually established. Current policy does not obligate the District to further fund its OPEB obligation. In fiscal year 2019, the District began drawing funds from the OPEB trust to cover the cost of current year retiree health benefit payouts. Prior to that, the District funded the OPEB Plan on a pay-as-you-go basis.

The District's annual OPEB cost (expense) for the OPEB Plan is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75 beginning in fiscal year 2018. The ARC represents the normal cost and amortization of unfunded actuarial liabilities over 30 years.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021. The following actuarial methods and assumptions were used:

Valuation Date	July 1, 2021	July 1, 2020
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Assumptions:		
Discount rate	6.10%	6.10%
Inflation	3.00%	3.00%
Salary increase	2.50%	3.00%
Investment rate of return	6.10%	6.10%
Healthcare cost trend rates:		
Medicare Advantage	6% for 2021, decreasing ratably to 4.5% for 2029 and later years	22.15% for 2020, decreasing ratably to 4.5% for 2029 and later years
Medicare Supplement	3.0% for 2021, static through 2029 and later years	5.5% for 2020, decreasing ratably to 4.5% for 2029 and later years
Dental	4.0% for 2021, static through 2029 and later years	4.5% for 2020, static through 2029 and later years

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 Santa Barbara Metropolitan Transit District
 Notes to Financial Statements
 Years ended June 30, 2022 and 2021

NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

The mortality table was updated from base rates developed in the 1997-2011 CalPERS Study for Miscellaneous employees with projected improvement based on scale MP-2016 to the Pub-2010 headcount weighted tables for general employees with projected improvement based on scale MP-2018.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period of July 1, 2019 – June 30, 2020.

The long-term expected rate of return on OPEB Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

2022

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (1 - 10 Years)</u>
Global Equity	40%	4.40%
Fixed Income	43%	1.50%
Treasury Inflation-Protected Securities	5%	1.20%
Real Estate Investment Trusts	8%	3.70%
Commodities	4%	0.60%
Total	100%	

2021

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (1 - 10 Years)</u>
Global Equity	40%	4.80%
Fixed Income	43%	1.10%
Treasury Inflation-Protected Securities	8%	3.20%
Real Estate Investment Trusts	5%	0.25%
Commodities	4%	1.50%
Total	100%	

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 Santa Barbara Metropolitan Transit District
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NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.10% as of June 30, 2021. The rate is based on long-term expected rate of return for CERBT Strategy 2 determined by CalPERS.

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the year ended June 30, 2022 and 2021 are as follows:

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at June 30, 2021	\$ 3,162,887	\$ 1,608,002	\$ 1,554,885
Changes Recognized for the Fiscal Year:			
Service Cost	89,652	-	89,652
Interest on the Total OPEB Liability	196,358	-	196,358
Differences Between Expected and Actual Experience	(149,504)	-	(149,504)
Change of Assumptions	45,994	-	45,994
Benefit Payments	(68,116)	(68,116)	-
Contributions from the Employer	-	68,116	(68,116)
Contributions from the Employee	-	-	-
Net Investment Income	-	317,099	(317,099)
Administrative Expense	-	(1,508)	1,508
Net Changes	114,384	315,591	(201,207)
Balance at June 30, 2022 (Based on June 30, 2021 Measurement Date)	\$ 3,277,271	\$ 1,923,593	\$ 1,353,678

PRELIMINARY DRAFT REPORT
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Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at June 30, 2020	\$ 2,683,817	\$ 1,593,625	\$ 1,090,192
Changes Recognized for the Fiscal Year:			
Service Cost	38,234	-	38,234
Interest on the Total OPEB Liability	188,151	-	188,151
Change of Assumptions	322,232	-	322,232
Benefit Payments	(69,547)	(69,547)	-
Net Investment Income	-	84,712	(84,712)
Administrative Expense	-	(788)	788
Net Changes	479,070	14,377	464,693
Balance at June 30, 2021 (Based on June 30, 2020 Measurement Date)	\$ 3,162,887	\$ 1,608,002	\$ 1,554,885

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the fiscal year ended June 30, 2022 and 2021.

	1% Decrease (5.10%)	Current Rate (6.10%)	1% Increase (7.10%)
2022			
Total OPEB Liability	\$ 3,759,086	\$ 3,277,271	\$ 2,873,311
Plan Fiduciary Net Position	1,923,593	1,923,593	1,923,593
Net OPEB Liability	\$ 1,835,493	\$ 1,353,678	\$ 949,718
2021			
Total OPEB Liability	\$ 3,576,090	\$ 3,162,887	\$ 2,795,599
Plan Fiduciary Net Position	1,608,002	1,608,002	1,608,002
Net OPEB Liability	\$ 1,968,088	\$ 1,554,885	\$ 1,187,597

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using a health care cost trend that is one percentage point lower or one percentage point higher than the trend rate, for the measurement period ended June 30, 2021 and 2020.

<u>2021</u>	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 2,840,455	\$ 3,277,271	\$ 3,827,068
Plan Fiduciary Net Position	1,923,593	1,923,593	1,923,593
Net OPEB Liability	<u>\$ 916,862</u>	<u>\$ 1,353,678</u>	<u>\$ 1,903,475</u>

<u>2020</u>	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 2,724,359	\$ 3,162,887	\$ 3,676,828
Plan Fiduciary Net Position	1,608,002	1,608,002	1,608,002
Net OPEB Liability	<u>\$ 1,116,357</u>	<u>\$ 1,554,885</u>	<u>\$ 2,068,826</u>

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022 and 2021, the District recognized OPEB expense of \$178,576 and \$162,018, respectively. As of June 30, 2022 and 2021, the District reported deferred outflows of resources related to OPEB from the following sources:

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Santa Barbara Metropolitan Transit District
Notes to Financial Statements
Years ended June 30, 2022 and 2021

NOTE 13 OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (OPEB) (CONTINUED)

**OPEB Expense and Deferred Outflows of Resources Related to OPEB
(Continued)**

<u>2022</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Actual and Expected Experience	\$ -	\$ (181,906)
Changes in Assumptions	327,219	-
Net Differences between Projected and Actual Earnings on Plan Investments	16,422	(175,395)
Contributions after the measurement date	<u>72,957</u>	<u>-</u>
Total	<u>\$ 416,598</u>	<u>\$ (357,301)</u>
<u>2021</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Actual and Expected Experience	\$ -	\$ (55,726)
Changes in Assumptions	331,748	-
Net Differences between Projected and Actual Earnings on Plan Investments	<u>21,985</u>	<u>-</u>
Total	<u>\$ 353,733</u>	<u>\$ (55,726)</u>

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2023	\$ 62,560
2024	(12,088)
2025	(11,392)
2026	(16,300)
2027	28,075
Thereafter	<u>8,442</u>
	<u>\$ 59,297</u>

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Santa Barbara Metropolitan Transit District
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NOTE 14 ADVANCES ON GRANTS

Advances on grants at June 30, 2022 and 2021 are summarized as follows:

	UCSB Capital	LCTOP Capital	Other Capital	Total Capital	LCTOP Operating	Total Operating	Total Operating & Capital
Available funds at June 30, 2020	\$ 406,929	\$ 252,639	\$ -	\$ 659,568	\$ 492,722	\$ 492,722	\$ 1,152,290
FY21 Allocations received	-	-	5,715	5,715	778,053	778,053	783,768
FY21 Interest earned	-	26	-	26	119	119	145
	-	26	5,715	5,741	778,172	778,172	783,913
Available funds at June 30, 2021	406,929	252,665	5,715	665,309	1,270,894	1,270,894	1,936,203
FY22 Allocations received	102,810	136,912	-	239,722	-	-	239,722
FY22 Interest earned	-	36	-	36	129	129	165
	102,810	136,948	-	239,758	129	129	239,887
Less: Eligible cost in FY 22	-	-	(5,715)	(5,715)	-	-	(5,715)
Available funds at June 30, 2022	\$ 509,739	\$ 389,613	\$ -	\$ 899,352	\$ 1,271,023	\$ 1,271,023	\$ 2,170,375

NOTE 15 IMPACT OF THE CORONAVIRUS ON THE DISTRICT'S OPERATIONS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries including the geographical area where the District operates. To date, it is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities.

Management believes that the financial impact, if any, did not materially affect the District's financial statements.

NOTE 16 SUBSEQUENT EVENTS

The District has evaluated events subsequent to June 30, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November __, 2022, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

PRELIMINARY DRAFT REPORT

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Santa Barbara Metropolitan Transit District Required Supplementary Information An Agent Multiple-Employer Defined Benefit Pension Plan Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios (Unaudited)

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 89,852	\$ 38,234	\$ 48,605	\$ 45,248	\$ 43,930
Interest Cost	196,358	188,151	180,233	170,170	161,053
Changes in Benefits Terms	-	-	(147,814)	-	-
Differences Between Expected and Actual Experiences	(149,504)	-	-	-	(7,884)
Actual Experience	-	-	(67,492)	-	-
Changes of Assumptions	45,994	322,232	63,172	-	-
Benefit Payments	(68,116)	(69,547)	(67,552)	(65,645)	(59,133)
Net Change in Total OPEB Liability	114,384	479,070	7,152	149,773	137,966
Total OPEB Liability - Beginning	3,162,887	2,683,817	2,676,665	2,526,892	2,388,926
Total OPEB Liability - Ending	\$ 3,277,271	\$ 3,162,887	\$ 2,683,817	\$ 2,676,665	\$ 2,526,892
Plan Fiduciary Net Position					
Contributions - Employer	\$ 68,116	\$ -	\$ -	\$ 565,645	\$ 1,059,133
Net Investment Income	317,099	84,712	105,941	61,784	(5,256)
Benefit Payments	(68,116)	(69,547)	(67,552)	(65,645)	(59,133)
Administrative Expenses	(1,508)	(788)	(757)	(535)	-
Net Change in Plan Fiduciary Net Position	315,591	14,377	37,632	561,249	994,744
Plan Fiduciary Net Position - Beginning	1,608,002	1,593,625	1,555,993	994,744	-
Plan Fiduciary Net Position - Ending	1,923,593	1,608,002	1,593,625	1,555,993	994,744
Net OPEB Liability - Ending	\$ 1,353,678	\$ 1,554,885	\$ 1,090,192	\$ 1,120,672	\$ 1,532,148
Net Position as a Percentage of OPEB Liability	58.69%	50.84%	59.38%	58.13%	39.37%
Covered Employee Payroll	\$ 8,886,815	\$ 8,895,129	\$ 9,970,053	\$ 10,346,378	\$ 13,100,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	15.23%	17.48%	10.93%	10.83%	11.70%

Changes in assumptions - The discount rate decreased 7.00% to 6.10% for the measurement period ended June 30, 2019 and 2020, respectively.

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future year's information will be displayed up to ten years as information becomes available.

A Schedule of Contributions is not required because funding is not based on actuarially determined contributions and contributions are neither statutory nor contractually established.

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COMPLIANCE SECTION

PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

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Independent Auditor's Report on State Compliance

The Board of Directors
Santa Barbara Metropolitan Transit District
Santa Barbara, California

Report on Compliance with Transportation Development Act Requirements

Opinion

We have audited the Santa Barbara Metropolitan Transit District's (the District) compliance with Transportation Development Act (TDA) requirements that funds allocated to and received by the District were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the Santa Barbara County Association of Governments as required by Section 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations during the years ended June 30, 2022 and 2021.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the District for the years ended June 30, 2022 and 2021

Basis for Opinion

We conducted our audit of compliance in accordance with the TDA. Our responsibilities under the TDA are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance with the TDA. Our audit does not provide a legal determination of District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the applicable statutes, rules, and regulations of the TDA.



PRELIMINARY DRAFT REPORT

(Vasquez Internal Review In Progress)

Auditor's Responsibilities for the Audit of Compliance

Our responsibility is to express an opinion on each of the District's compliance requirements referred to in Section 6667, which requires that, for a transit claimant, the independent auditor will perform at least the following procedures:

- a) Determine whether the claimant was an entity eligible to receive the funds allocated to it.
- b) Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99243.
- c) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 99263 for operators receiving funds under Article 4; Sections 99275, 99275.5, and 99277 for Article 4.5 claimants; Section 99400(c), (d), and (e) for Article 8 claimants for service provided under contract; and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000.
- d) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions
- e) Determine whether interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99234.1, 99301, 99301.5, and 99301.6.
- f) Verify the amount of the claimant's operating cost for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in the Section 6633.2.
- g) Verify the amount of the claimant's actual fare revenues for the fiscal year.
- h) Verify the amount of the claimant's actual local support for the fiscal year.
- i) Verify the amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with Sections 6634 and 6649.
- j) Verify, if applicable, the amount of the operator's expenditure limitation in accordance with Section 6633.1.
- k) In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272, and 99273.
- l) In the case of an operator, determine whether the operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251.



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- m) In the case of an operator, verify, if applicable, its State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7.
- n) In the case of a claimant for community transit services, determine whether it is in compliance with Public Utilities Code Sections 99155 and 99155.5.

Compliance with the requirements referred to above is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the TDA. Accordingly, this report is not suitable for any other purpose.

Glendale, California
November __, 2022

PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)



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PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)



Santa Barbara Metropolitan Transit District
Single Audit Report
Year Ended June 30, 2022
with Independent Auditor's Report



PRELIMINARY DRAFT REPORT
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Santa Barbara Metropolitan Transit District
Single Audit Report
Year Ended June 30, 2022
with Independent Auditor's Report

PRELIMINARY DRAFT REPORT
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Santa Barbara Metropolitan Transit District
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**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors
Santa Barbara Metropolitan Transit District
Santa Barbara, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Santa Barbara Metropolitan Transit District (District), which comprise the statement of net position as of June 30, 2022, the related statement of revenues, expenses, and changes in net position, statement of expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated **<DATE OPEN>**.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Glendale, California
<DATE OPEN>.

PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

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Independent Auditor's Report on Compliance for Each Major Federal Program, on Internal Control over Compliance, and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Directors
Santa Barbara Metropolitan Transit District
Santa Barbara, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Santa Barbara Metropolitan Transit District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

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RSM US Alliance





PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of its major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Santa Barbara Metropolitan Transit District's as of and for the year ended June 30, 2022 and have issued our report thereon dated **<DATE OPEN>**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Glendale, California
<DATE OPEN>.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<u>Federal Grantor/ Pass Through Grantor / Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Contract Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
MAJOR PROGRAM				
U.S. Department of Transportation				
Federal Transit Administration				
Direct Assistance:				
Federal Transit - Formula Grants (Urbanized Area Formula Program) (Operating)	20.507	CA-2022-169-00	\$ -	\$ 4,292,872
CARES Act:				
Federal Transit - Formula Grants (Urbanized Area Formula Program) (Operating)	20.507	CA-2020-100-00	-	1,000,000
Federal Transit - Formula Grants (Urbanized Area Formula Program) (Operating and Capital)	20.526	CA-2021-100-00	400,000	400,000
Total Major Program			<u>400,000</u>	<u>5,692,872</u>
NON-MAJOR PROGRAM				
U.S. Department of Transportation				
Federal Transit Administration				
Passed through from the State of California, Department of Transportation, Planning Division Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research				
	20.505	74A1242	-	72,806
Total Non-Major Program			<u>-</u>	<u>72,806</u>
Total Federal Expenditures			<u>\$ 400,000</u>	<u>\$ 5,765,678</u>

See accompanying notes to schedule of expenditures of federal awards.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Notes to Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Santa Barbara Metropolitan Transit District (District) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE 2 BASIS OF ACCOUNTING

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 SUBRECIPIENTS

The District provided \$400,000 federal awards to subrecipients for the year ended June 30, 2022.

NOTE 4 RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Grant expenditure reports for the year ended June 30, 2022, which have been submitted to grantor agencies, will, in some cases, differ from the amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of the year-end accruals.

NOTE 5 RELATIONSHIP OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE FINANCIAL STATEMENTS

Amounts reported in the accompanying Schedule agree, in all material respects, to amounts reported within the District's Statement of Revenues, Expenses and Changes in Net Position as presented in the District's Audited Financial Statements as of and for the year ended June 30, 2022.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)

Santa Barbara Metropolitan Transit District
Schedule of Findings and Questioned Costs
Year ended June 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued on the financial statements: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? No
Significant deficiency(ies) identified? No

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major programs:
Material weakness(es) identified? No
Significant deficiency(ies) identified? None reported

Type of Auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR 200.516(a) of the Uniform Guidance? None reported

Identification of Major Programs:

Assistance Listing Number

20.507

20.526

Name of Federal Program or Cluster

Formula Grants (Urbanized Area
Formula Program – Operating
Assistance including CARES Act)
Formula Grants (Urbanized Area
Formula Program – Capital and
Operating Assistance)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? Yes

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Schedule of Findings and Questioned Costs
Year ended June 30, 2022

Section II – Financial Statement Findings

There were no financial statement findings noted during the fiscal year ended June 30, 2022.

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings noted during the fiscal year ended June 30, 2022.

PRELIMINARY DRAFT REPORT
(Vasquez Internal Review In Progress)
Santa Barbara Metropolitan Transit District
Summary Schedule of Prior Audit Findings
Year ended June 30, 2022

No findings were reported for the year ended June 30, 2021.

PRELIMINARY DRAFT REPORT (Vasquez Internal Review In Progress)



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BOARD OF DIRECTORS REPORT

MEETING DATE:	NOVEMBER 15, 2022	AGENDA ITEM: #11
DEPARTMENT:	FINANCE	
TYPE:	ACTION ITEM	
PREPARED BY:	NANCY TILLIE	_____ <i>Signature</i>
REVIEWED BY:	GENERAL MANAGER	_____ <i>Signature</i>
SUBJECT:	CAPITALIZATION THRESHOLD INCREASE FROM \$500 TO \$1,000	

RECOMMENDATION

Staff requests that the Santa Barbara Metropolitan Transit District Procurement Policy minimum Capitalization threshold increase from \$500 to \$1,000.

DISCUSSION

The current SBMTD General Ledger Policy and Procedures indicate that Depreciation applies to Fixed Assets (FA) over the term of their useful lives. That policy defines a FA as tangible property with a useful life greater than one year and having a unit cost of \$500 or greater. Section 12.2 Capital and Non-Capital Assets of the current version of the SBMTD Procurement Manual (official Board policy) defines a Capital Asset as "An item which has a unit cost of at least \$500 and a useful life of no less than one year."

An evaluation of this policy and procedure indicates that over the past three (3) fiscal years there were 84 transaction of <\$1,000 charged to Fixed Asset General Ledger Accounts, not including Work In Progress (WIP) Accounts. These transactions ranged in size, however averaged \$445.62. Many of these items were not deemed to be FA and were reversed from the original posting, creating additional transactions. Over the course of the past 3 years, this totaled \$9,486.15.

Depreciating items at a unit cost of less than \$1,000 is time consuming and inefficient from a tracking perspective. The current Fixed Asset Accounting is comprised of Excel spreadsheets with manual entries creating a duplication of effort for Accounting /Staff who must enter the item into the Accounts Payable module of the Accounting system in order to pay for the item and then entering it into the Fixed Asset Accounting spreadsheet. A number of manual photocopies of the documents are made for reference. The Federal Grant threshold for Capitalization is \$5,000 per unit item cost, therefore items being reversed are being included in Operating expenses and not reimbursed by Capital Grants.

Another reason for increasing the Capitalization threshold from \$500 to \$1,000 is the impact of the Fixed Asset reconciliation at year-end during the Audit process. These transactions and

BOARD OF DIRECTORS REPORT

research thereof at such a small dollar amount impede the process of General Ledger Trial Balance completion until such items are fully accounted for.

IMPACT ON BUDGET, FUNDING AND ACCOUNTING

During the most recent three (3) fiscal years, had these items less than \$1,000 not been capitalized, the Operating Expenses would have been increased by \$18,469.32 or on average \$6,156.44 per year. The effort to reverse and track capital items outside of WIP for less than \$1,000 is above the reduction of operating expenses, even net of the depreciation. Over a five-year period, these assets would depreciate at the rate of \$1,000 per year. Additionally, removing the number of journal entries and small transactions from the Fixed Assets would improve audit timing.



BOARD OF DIRECTORS REPORT

MEETING DATE:	NOVEMBER 15, 2022	AGENDA ITEM: #12
DEPARTMENT:	HUMAN RESOURCES	
TYPE:	ACTION ITEM	
PREPARED BY:	JERRY ESTRADA	_____ <i>Signature</i>
REVIEWED BY:	GENERAL MANAGER	_____ <i>Signature</i>
SUBJECT:	SANTA BARBARA METROPOLITAN TRANSIT DISTRICT NON-REPRESENTED EMPLOYEES SALARY RANGES	

RECOMMENDATION

It is recommended that the Board of Directors approve that the General Manager implement the Proposed Non-Represented Salary Range Schedule 2023 (Exhibit A) and Proposed Non-Represented Positions and Annual Salary Ranges 2023 (Exhibit B), effective January 1, 2023, incorporating a 4% increase effective January 1, 2024 to support the retention, recruitment and organizational development of the Non-Represented workforce.

DISCUSSION

On September 27, 2022, California Governor Gavin Newsom signed Senate Bill 1162, a broad pay transparency bill requiring employers to include pay ranges in all job advertisements effective January 1, 2023.

Santa Barbara Metropolitan Transit District's (MTD) non-represented employees have typically received annual salary increases commensurate with the cost of living for the region. In 2021, MTD hired Koff and Associates to conduct a Compensation and Classification Study to gauge the agency's competitiveness to retain employees and recruit job applicants. The results of the compensation portion of the Study is complete and has been utilized by management and an ad hoc committee of the Board of Directors to recommend the salary ranges schedule and annual salary ranges for calendar year 2023. The information gleaned from the aforementioned study was augmented with research conducted by staff related to more recent recruitments for similar positions from local agencies. Additionally, MTD's experience filling positions throughout 2022 were also taken into account.

ATTACHMENTS:

- Exhibit A - Proposed Non-Represented Salary Range Schedule 2023
- Exhibit B - Proposed Non-Represented Positions and Annual Salary Ranges 2023

Exhibit A
Santa Barbara Metropolitan Transit District
Proposed Non-Represented Salary Range Schedule 2023

Salary Placement	Annual	
	Minimum	Maximum
1		
2		
3		
4		
5		
6		
7		32,686
8		34,320
9		36,036
10		37,838
11		39,730
12	33,373	41,716
13	35,042	43,802
14	36,794	45,992
15	38,634	48,292
16	40,565	50,706
17	42,594	53,242
18	44,723	55,904
19	46,959	58,699
20	49,307	61,634
21	51,772	64,715
22	54,361	67,951
23	57,079	71,349
24	59,933	74,916
25	62,930	78,662
26	66,076	82,595
27	69,380	86,725
28	72,849	91,061
29	76,491	95,614
30	80,316	100,395
31	84,332	105,415
32	88,548	110,685
33	92,976	116,220
34	97,625	122,031
35	102,506	128,132
36	107,631	134,539
37	113,013	141,266
38	118,663	148,329
39	124,597	155,746
40	130,826	163,533
41	137,367	171,709
42	144,236	180,295
43	151,448	189,310
44	159,020	198,775
45	166,971	208,714
46	175,319	219,149
47	184,086	230,107
48	193,290	241,612
49	202,954	253,693
50	213,102	266,378

Exhibit B
Santa Barbara Metropolitan Transit District
Proposed Non-Represented Positions and Annual Salary Ranges 2023

Position	Job Class	Recommended Salary Schedule (2023)	Recommended Minimum	Recommended Maximum	Position Status
General Manager	Executive	48	\$193,290	\$241,612	Filled
Chief Operating Officer/Assistant General Manager	Executive	43	\$151,448	\$189,310	Filled
Director of Finance and Administration	Executive	42	\$144,236	\$180,295	Filled
Director of Human Resources and Risk	Executive	41	\$137,367	\$171,709	Frozen
Director of Planning and Marketing	Executive	41	\$137,367	\$171,709	Frozen
Human Resources & Risk Manager	Management	37	\$113,013	\$141,266	Vacant
Fleet & Facilities Manager	Management	37	\$113,013	\$141,266	Filled
Operations Manager	Management	37	\$113,013	\$141,266	Filled
Planning and Marketing Manager	Management	36	\$107,631	\$134,539	Filled
Finance Manager	Management	36	\$107,631	\$134,539	Filled
IT Manager	Management	36	\$107,631	\$134,539	Frozen
Superintendent of Operations	Management	32	\$88,548	\$110,685	Filled
Grants and Compliance Manager	Management	32	\$88,548	\$110,685	Filled
Capital Projects Manager	Management	32	\$88,548	\$110,685	Filled
Assistant Finance Manager	Management	32	\$88,548	\$110,685	Filled
Materials Manager	Management	31	\$84,332	\$105,415	Filled
Human Resources Analyst	Supervision	31	\$84,332	\$105,415	Vacant
Information Systems Supervisor	Supervision	31	\$84,332	\$105,415	Filled
Transit Planner III	Supervision	31	\$84,332	\$105,415	Frozen
Fleet Supervisor II	Supervision	29	\$76,491	\$95,614	Filled
Electronics Systems Supervisor	Supervision	29	\$76,491	\$95,614	Filled
Senior Purchasing Agent	Supervision	29	\$76,491	\$95,614	Filled
Fleet Supervisor I	Supervision	28	\$72,849	\$91,061	Vacant
Safety & Training Administrator	Administrative Staff	28	\$72,849	\$91,061	Frozen
Transit Planner II	Administrative Staff	28	\$72,849	\$91,061	Filled
Information Systems Support Tech	Administrative Staff	28	\$72,849	\$91,061	Vacant
Clerk of the Board	Administrative Staff	26	\$66,076	\$82,595	Vacant
Senior Electronics Technician	Administrative Staff	26	\$66,076	\$82,595	Filled
Marketing and Communications Coordinator	Administrative Staff	26	\$66,076	\$82,595	Filled
Facilities Specialist	Administrative Staff	26	\$66,076	\$82,595	Filled
Accounting Assistant II	Administrative Staff	26	\$66,076	\$82,595	Filled
Human Resources Generalist	Administrative Staff	25	\$62,930	\$78,662	Frozen
Assistant Safety & Training Administrator	Administrative Staff	25	\$62,930	\$78,662	Filled
Transit Planner I (Route Scheduler)	Administrative Staff	25	\$62,930	\$78,662	Vacant
Risk Administrator	Administrative Staff	25	\$62,930	\$78,662	Frozen
Accounting Assistant I	Administrative Staff	25	\$62,930	\$78,662	Vacant
Marketing and Community Relations Coordinator	Administrative Staff	23	\$57,079	\$71,349	Filled
Parts and Material Clerk	Administrative Staff	23	\$57,079	\$71,349	Filled
Maintenance Data Analyst	Administrative Staff	21	\$51,772	\$64,715	Filled
Human Resources Assistant II (Recruiter)	Administrative Staff	21	\$51,772	\$64,715	Filled
Administrative Assistant III	Administrative Staff	20	\$49,307	\$61,634	Frozen
Human Resources Assistant I	Administrative Staff	19	\$46,959	\$58,699	Filled
Administrative Assistant II	Administrative Staff	19	\$46,959	\$58,699	Filled
Administrative Assistant I	Administrative Staff	18	\$44,723	\$55,904	Filled
Bus Stop Maintenance Specialist	Administrative Staff	18	\$44,723	\$55,904	Filled
Customer Service Representative III	Administrative Staff	18	\$44,723	\$55,904	Frozen
Customer Service Representative II	Administrative Staff	17	\$42,594	\$53,242	Filled
Customer Service Representative I	Administrative Staff	16	\$40,565	\$50,706	Filled



BOARD OF DIRECTORS REPORT

MEETING DATE: NOVEMBER 15, 2022

AGENDA ITEM: #13

DEPARTMENT: COMPLIANCE

TYPE: ACTION ITEM

PREPARED BY: STEVE MAAS

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: TITLE VI PROGRAM: 2023 – 2025

RECOMMENDATION:

Staff recommends that the Board receive a report on the Draft “Santa Barbara Metropolitan Transit District Title VI Program: 2023 - 2025” and consider approval of the attached Resolution.

DISCUSSION:

As a direct recipient of federal funding from the Federal Transit Administration (FTA), MTD is required to prepare and submit a Title VI Program every three years. Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin, and FTA has added a prohibition of discrimination on the basis of limited English proficiency. As discussed in the first paragraph of the draft Title VI Program, MTD is also committed to non-discrimination above and beyond these Title VI requirements. The content of the Title VI Program is dictated by FTA Circular 4702.1B, “Title VI Requirements and Guidelines for Federal Transit Administration Recipients.” The Program provides assurance to the FTA and to our riders and other stakeholders that the District is committed to nondiscrimination, and demonstrates that MTD will:

- Ensure that the level and quality of public transportation service is provided in a nondiscriminatory manner.
- Promote full and fair participation in public transportation decision-making without regard to race, color, or national origin.
- Ensure meaningful access to transit-related programs and activities by persons with limited English proficiency.

The Title VI Program must be approved by the Board of Directors and submitted to FTA by November 30. A resolution of approval is included as the last page of the attachment.

ATTACHMENTS:

- Draft MTD Title VI Program: 2023 - 2025

DRAFT

**Santa Barbara
Metropolitan Transit District
Title VI Program: 2023 – 2025**

Prepared by the

Santa Barbara Metropolitan Transit District
550 Olive Street, Santa Barbara, CA 93101
Ph: (805) 963-3364 ♦ Fax: (805) 963-3365
sbmtd.gov



November 9, 2022



DRAFT

Santa Barbara Metropolitan Transit District

Title VI Program: 2023 - 2025

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Santa Barbara Metropolitan Transit District Title VI Program: 2023 - 2025

MTD TITLE VI PROGRAM INTRODUCTION

This Title VI program reflects the commitment of the Santa Barbara Metropolitan Transit District (MTD) to ensure that no person shall, on the ground of race, color, national origin, or Limited English Proficiency status, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity provided by MTD. MTD also is committed to ensure these same protections for all persons on the grounds of religion, age, marital status, sexual orientation, and disability.

MTD TITLE VI COMPLIANCE POLICY STATEMENT

A policy statement signed by MTD's General Manager assuring MTD's compliance with Title VI of the Civil Rights Act of 1964 is included as **Attachment A**.

MTD TITLE VI COMPLIANCE NOTICE TO THE PUBLIC

MTD publicizes its Title VI program by posting its commitment to providing services without regard to race, color, or national origin in the lobby of our administrative office building, at our Transit Center, on our website, and in our Schedule Guide. The Schedule Guide is available on all buses, the Transit Center, and MTD's administrative offices. The posted notice reads as follows:

Notifying the Public of Rights Under Title VI

The Santa Barbara Metropolitan Transit District (MTD) operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act. Any person who believes she or he has been aggrieved by any unlawful discriminatory practice under Title VI may file a complaint with MTD.

For more information on MTD's civil rights program, and the procedures to file a complaint, contact 805-963-3364; email info@sbmtd.gov; visit sbmtd.gov; or visit our administrative office at 550 Olive Street, Santa Barbara, CA 93101.

A complainant may file a complaint directly with the Federal Transit Administration at the following address: Office of Civil Rights, Attention: Title VI Program Coordinator, 1200 New Jersey Avenue, SE, Washington, DC 20590.

If information is needed in another language, contact 805-963-3364.

Si necesita informacion en otro idioma por favor llame 805-963-3364.

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MTD PROCEDURES FOR TRACKING TITLE VI COMPLAINTS

Any person who believes she or he has been discriminated against by MTD on the basis of race, color, or national origin may file a Title VI complaint by completing and submitting MTD's Title VI Complaint Form. MTD staff will log and investigate any Title VI complaint and work with the person making the complaint to address and resolve the complaint. MTD investigates complaints that are received no more than 180 days after the alleged incident.

The complainant receives an automated acknowledgement email following complaint submittal. Staff then reviews the complaint to determine if MTD has jurisdiction. The complainant will receive an acknowledgement informing him or her whether MTD will investigate the complaint. If so, MTD's investigation will take up to 7 business days. If MTD needs more information to investigate the case, MTD may contact the complainant. The complainant has up to 7 business days from the date of contact to send requested information to MTD. If MTD is not contacted by the complainant or does not receive the additional information within that timeframe, MTD may administratively close the case.

After MTD reviews the complaint, the agency will notify the complainant either that the complaint was closed, or that the complaint was found to be a Title VI violation. If the complaint was found to be a Title VI violation, MTD will summarize the investigation and explain to the complainant whether any disciplinary action, additional training of the staff member, or other action will occur. If the complainant wishes to appeal the decision, she or he has 10 days after the notification to do so.

MTD's procedures for investigating complaints are included as **Attachment B**. The attachment also includes MTD's Title VI Complaint Form and Americans with Disabilities Act (ADA) & Reasonable Modification Complaint Form.

Complaints may be filed with MTD as shown below:

*Santa Barbara Metropolitan Transit District
550 Olive Street
Santa Barbara, CA 93101*

*By Phone: (805) 963-3364
By Fax: (805) 963-3365
Email address: info@sbmtd.gov
Website: sbmtd.gov*

MTD TITLE VI INVESTIGATIONS, COMPLAINTS, OR LAWSUITS

No Title VI investigations, complaints, or lawsuits have been filed with MTD since the previous Title VI Program submission.

DRAFT

MTD PUBLIC PARTICIPATION & OUTREACH

MTD undertakes an extensive annual process to develop a service plan for the coming fiscal year that includes the collection and analysis of a variety of quantitative and qualitative data. An outline of the process is included as **Attachment C**. The attachment also includes items documenting the public participation process for each of the last three years.

The extensive process includes public input gathered through public meetings, a detailed bilingual online explainer/survey, passenger comments, e-mail and phone communications, and contacts with advocacy groups. The online service change explainers/surveys have proven fruitful for good two-way information sharing. Details on each proposed service change are given, complete with maps, and each proposed change has the opportunity for feedback from the public. This information is compiled, analyzed, and shared with Planning staff and the MTD Board of Directors before final decisions are made. The link to the survey is shared to major lists and on social media by area partners such as the University of California, Santa Barbara and Santa Barbara City College, helping reach large groups of bus riders.

The public meetings are advertised at each bus stop, on each bus, through press releases, and on social media in both English and Spanish, and are held in each community we serve at various times of day to encourage attendance by minority and low-income persons. Interpreters are available at each MTD service change meeting. All information is available in both English and Spanish. In addition to MTD hosted meetings, presentations are given at other local meetings, bringing the information to existing groups of stakeholders and interested parties. MTD staff also “tables” at major community events throughout the year and presents to educational and community groups. Input is welcome year-round and is analyzed and assessed by the staff of MTD’s Planning Department.

MTD LIMITED ENGLISH PROFICIENCY ASSISTANCE

MTD's complete Limited English Proficient (LEP) assistance plan is included as **Attachment D**. Several elements of the plan are listed below:

- Spanish-speaking translators are available upon request during normal business hours.
- MTD’s Schedule Guide printed document is bilingual.
- Route and schedule information is available in both English and Spanish on the MTD website (sbmtd.gov).
- Transit surveys conducted by MTD are available in both English and Spanish.
- Information at public hearings is available in both English and Spanish, and Spanish-speaking translators are available.
- All boarding announcements at MTD’s downtown Santa Barbara Transit Center are in both English and Spanish.

DRAFT

The MTD Operations Department provides all drivers with training regarding meanings and proper pronunciation of Spanish numbers, common words, and common phrases. In MTD's customer service department, the customer service representatives are either fluent in Spanish, or speak enough Spanish to complete most transactions or talk to customers prior to transferring them to a fluent Spanish speaker. MTD's Schedule Guide document is bilingual, and MTD ensures that staff know where to find Spanish-language information in the Guide.

MTD BOARDS, COUNCILS, OR COMMITTEES APPOINTED BY MTD

MTD has a seven-member Board of Directors. Two are appointed by the Santa Barbara County Board of Supervisors, two are appointed by the Santa Barbara City Council, one is appointed by the Carpinteria City Council, and one is appointed by the Goleta City Council. MTD has no role in the selection of those six appointees.

Those six appointees choose the seventh member of the Board. That position is currently vacant. Typically, when that position is vacant, the six appointees conduct an extensive public outreach effort to recruit persons of all backgrounds to apply for the position. The most recent recruitment for that position was held in October 2012. Eleven persons applied, and nine appeared to be interviewed by the six appointees. Six of the applicants were female, and five were male. One applicant was Latino and ten were Caucasian.

MTD does not have any other transit-related, non-elected planning boards, advisory councils or committees, or similar bodies, the membership of which is selected by MTD.

MTD SUBRECIPIENT COMPLIANCE WITH TITLE VI

MTD currently does not have any subrecipients. Previously, MTD had one subrecipient, the Santa Barbara County Association of Governments (SBCAG), the Metropolitan Planning Organization for the area. MTD was a direct recipient of Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) funds. MTD and SBCAG executed a Subrecipient Agreement that included the requirements placed upon each agency to ensure compliance with all FTA requirements. On April 1, 2021, MTD provided \$400,000 of CRRSAA funds to SBCAG for pandemic-related expenses for the commuter bus service operated by SBCAG. Those funds were fully expended by SBCAG as of March 28, 2022. MTD staff continues to meet regularly with SBCAG staff to ensure the coordination of public transit services. MTD's Subrecipient Monitoring Program is attached as **Attachment E**.

MTD DETERMINATION OF SITE OR LOCATION OF FACILITIES

MTD did not determine the site or location of any facilities as defined in FTA Circular 4702.1B since the previous Title VI Program submission.

DRAFT

MTD SYSTEM-WIDE STANDARDS AND POLICIES

MTD has developed service standards and policies for shuttle, trunk, local, and express routes. The system-wide standards and policies are attached as **Attachment F**.

MTD BOARD OF DIRECTORS RESOLUTION APPROVING TITLE VI PROGRAM

The MTD Board of Directors' resolution of approval of the Title VI Program is attached as **Attachment G**.

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ATTACHMENT A: MTD TITLE VI COMPLIANCE POLICY STATEMENT



Santa Barbara Metropolitan Transit District Title VI Compliance Policy Statement

Title VI of the Civil Rights Act of 1964 states:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.”

The Santa Barbara Metropolitan Transit District (MTD) is committed to complying with the requirements of Title VI in all of its programs and activities.

Jerry Estrada, General Manager

Date

ATTACHMENT B: MTD TITLE VI & ADA COMPLAINT PROCEDURES AND FORMS

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**Santa Barbara
Metropolitan Transit District
Complaint & Compliment Procedures**



Updated
October 23, 2019

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Santa Barbara Metropolitan Transit District Complaint & Compliment Procedures

INTAKE

- Forward all complaints and compliments to the ***Coordinator of Comments*** (a role that is currently assigned to the Marketing & Community Relations Coordinator). Complaints and compliments may come in various media, including:
 - Phone Calls.
 - Letters.
 - E-mails.
 - Passenger or Public Comment Forms.
 - Social Media Platforms (Instagram, Facebook, Twitter).
- All complaints and compliments are logged and tracked in Zendesk, an online platform where customer interactions across phone, chat, email, social media, and any other channel all come together in one place.
- Lost & Found *inquiries* should be forwarded to the Customer Service Representatives. However, Lost & Found *complaints* should be forwarded to the Coordinator of Comments.
- The Coordinator of Comments will forward the complaint or compliment to the appropriate persons via Zendesk or internal email (see matrix in attached chart).
 - If a complaint does not apply to the person assigned, notify the Coordinator of Comments immediately so the complaint can be re-assigned to the proper person.
 - If the person assigned a complaint is unsure how to investigate and resolve the complaint, notify the Coordinator of Comments immediately so assistance can be offered.
- Spanish Language. For any complaint or compliment from a person who prefers to communicate in Spanish, the complaint or compliment will also be forwarded to bilingual Customer Relations staff.

CIVIL RIGHTS AND REASONABLE MODIFICATION COMPLAINTS

Complaints related to Title VI, Disadvantaged Business Enterprise (DBE), Equal Employment Opportunity (EEO), the Americans with Disabilities Act (ADA), Reasonable Modification, or another Civil Rights issue will be investigated and resolved using the procedures described in this document. MTD has specific forms for Title VI and Americans with Disabilities Act (ADA) or Reasonable Modification complaints (see Attachments).

The Coordinator of Comments will consider each complaint for possible Civil Rights or Reasonable Modification relevance. If there is such relevance, the Coordinator of Comments will refer the complaint to the Manager of Compliance for consideration. The Manager of Compliance will ensure that all Civil Rights and Reasonable Modification complaints are properly tracked and resolved.

RESPONSE

Complainants will receive a response in all cases except:

- Persons who do not want a response.
- Persons for whom no contact information is available.

Complaints will be responded to in kind when possible (e.g., phone call to phone call, e-mail to e-mail, letter to letter, letter to Passenger or Public Comment Form), unless an alternative is requested.

The Coordinator of Comments will make an initial response to all complaints either on the day of receipt or on the next business day, if feasible. If the initial response does not resolve the complaint, the initial response will inform the complainant that a final response will follow after those researching the issue have prepared the final response, if appropriate. The researchers have two options for the final response:

- Send the response to the complainant themselves, and enter the response into Zendesk for filing.
- Forward the appropriate information via Zendesk or email to the Coordinator of Comments for response to the complainant.

Ultimately, the appropriate Manager is responsible to ensure that the final response is conveyed to the complainant.

DOCUMENTATION

All complaints and compliments, and the responses, will be documented and filed via Zendesk. Notes will be also be kept in Zendesk for phone calls, letters, and email correspondence.

Complaints and compliments will be filed by month and will be retained for a minimum of five years. Complaints determined to comprise Civil Rights or Reasonable Modification issues will be filed separately, in addition to the monthly file. The civil rights complaints file will include documentation regarding the type of civil rights or reasonable modification complaint and the resolution of the complaint.

REMINDERS

Each week the Coordinator of Comments will send reminders regarding any outstanding complaints. Resolving complaints is important and it is necessary for complaints to be responded to in a timely fashion.

Santa Barbara Metropolitan Transit District Complaint & Compliment Matrix

RELATED TO	Supt. of Operations	Operations Manager	Safety & Training Administrator	Coord. of Comments	Director of HR & Risk	Senior HR Analyst	Fleet & Facilities Manager	Fleet Maintenance Supervisor	Planning & Marketing Manager	Transit Planner	Compliance Manager	Director of Finance	General Manager
Title VI (Non-Discrimination) Assigned to: Copied to:	x	x			Primary x	x					Alternate x		X
Disadvantaged Business Enterprise (DBE) Assigned to: Copied to:											Primary x	Alternate x	X
Equal Employment Opportunity (EEO) Assigned to: Copied to:					Primary x	Alternate x					x		X
Americans with Disabilities Act (ADA) Assigned to: Copied to:	x	x	x		Primary x	Alternate x					x		X
Reasonable Modification Assigned to: Copied to:	Alternate x	Primary x	x								x		X
Safety-Related With Potential Liability Assigned to: Copied to:	x	x	x		Primary x	Alternate x							X
Safety-Related Without Injury Assigned to: Copied to:	Primary x	Alternate x	x		x	x							X
Fare / Transfer Policy Assigned to: Copied to:	x	x										Primary x	Alternate X
Passenger Related Assigned to: Copied to:	Primary x	Alternate x	x		x	x							x

Santa Barbara Metropolitan Transit District Complaint & Compliment Matrix

[illegible]

Attachments

**Americans with Disabilities Act (ADA) &
Reasonable Modification Complaint Form**

and

Title VI Complaint Form



MTD Use Only

Date Received: _____

Received By: _____

**Santa Barbara Metropolitan Transit District
Americans with Disabilities Act (ADA) &
Reasonable Modification Complaint Form**

The Santa Barbara Metropolitan Transit District (MTD) is committed to ensuring that no person is excluded from participation in or denied the benefits of its services due to a disability or to the denial of a request for a reasonable modification. If you have a complaint about the accessibility of MTD's bus service or if you believe you have been discriminated against because of your disability, you can file a written complaint.

This completed complaint form must be returned to: Santa Barbara Metropolitan Transit District, Attn: ADA Coordinator, 550 Olive Street, Santa Barbara, CA 93101. If you require any assistance in completing this form, please contact the Manager of Human Resources at (805) 963-3364.

Date of alleged incident _____

Complainant

Your Name:	Phone:
Street Address:	City, State, & Zip Code:

Please describe the alleged incident. Explain what happened and whom you believe was responsible. Attach an additional sheet of paper if necessary.

I affirm that I have read the above charge and that it is true to the best of my knowledge, information, and belief.

Complainant's Signature

Date:

Print or Type Name of Complainant



MTD Use Only

Date Received: _____

Received By: _____

**Santa Barbara Metropolitan Transit District
Title VI Complaint Form**

The Santa Barbara Metropolitan Transit District (MTD) is committed to ensuring that no person is excluded from participation in or denied the benefits of its services on the basis of race, color, or national origin, as provided by Title VI of the Civil Rights Act of 1964, as amended.

This completed complaint form must be returned to: Santa Barbara Metropolitan Transit District, Attn: Title VI, 550 Olive Street, Santa Barbara, CA 93101. If you require any assistance in completing this form, please contact the Manager of Human Resources at (805) 963-3364. Title VI complaints must be filed within 180 days from the date of the alleged discrimination:

Date of alleged incident _____

Complainant

Your Name:	Phone:
Street Address:	City, State, & Zip Code:

Person(s) alleging discrimination (if different from complainant)

Name:	Phone:
Street Address:	City, State, & Zip Code:

Which of the following best describes the reason for the alleged discrimination? (Circle one)

- Race
- Color
- National Origin
- Limited English Proficient

Please use the back of this form to describe the alleged discrimination. Explain what happened and whom you believe was responsible.

Santa Barbara Metropolitan Transit District Title VI Complaint Form (Continued)

Please describe the alleged discrimination. Explain what happened and whom you believe was responsible. Attach an additional sheet of paper if necessary.

Have you filed a complaint regarding the alleged discrimination with any other federal, state, or local agencies? (Circle one) **Yes / No**

If yes, please list agency or agencies and the contact information:

Agency & Contact Name:	Phone:
Street Address:	City, State, & Zip Code:

Agency & Contact Name:	Phone:
Street Address:	City, State, & Zip Code:

I affirm that I have read the above charge and that it is true to the best of my knowledge, information, and belief.

Complainant's Signature

Date:

Print or Type Name of Complainant

ATTACHMENT C: MTD PUBLIC OUTREACH & INVOLVEMENT

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Santa Barbara Metropolitan Transit District Service Planning & Evaluation Policy

The following outline describes the annual process that MTD staff follows in getting input from the various stakeholders and developing a service plan for the coming fiscal year. As is shown, the extensive public participation process includes the collection and analysis of a variety of quantitative and qualitative data.

MTD Data Collection & Service Planning

- Qualitative Data
 - Public input
 - ✓ Passenger comments
 - ✓ E-mail and phone communications
 - ✓ Public meetings
 - ✓ Advocacy groups
 - ◆ Minority & LEP populations
 - ◆ Low-Income populations
 - ◆ Persons with disabilities
 - ◆ Bicyclist & pedestrian groups
 - MTD employee input
 - ✓ Drivers / supervisors / Transit Center staff comments
 - ✓ Staff ride-alongs
 - ✓ Time point checks
 - ✓ Schedule adherence checks
 - Agency input
 - ✓ California Department of Transportation (Caltrans)
 - ✓ Santa Barbara County Association of Governments (SBCAG)
 - ✓ County
 - ✓ Cities
 - ✓ Other agencies, including:
 - ◆ Santa Barbara County Air Pollution Control District (APCD)
 - ◆ University of California, Santa Barbara (UCSB)
 - ◆ Santa Barbara City College (SBCC)
 - ◆ School Districts

- Quantitative Data
 - Ridership surveys
 - ✓ Various lines as needed
 - Annual Route Analysis
 - ✓ Compare each route to system average and to previous year
 - Annual Service Evaluation
 - ✓ Ridership measure (riders per hour or trip)
 - ✓ Economic measure (subsidy per passenger)
 - ✓ Routes in fourth quartile require recommendation to MTD Board
 - Standard transit industry methodologies
 - ✓ Transit elasticities
 - ✓ Demographic analysis

MTD Staff Provides Recommendations to MTD Board

- MTD Board:
 - Board holds one or more public hearings
 - ✓ Information is available in both English and Spanish
 - ✓ Spanish-speaking translators are available
 - Board considers staff recommendations
 - Board considers input from public hearings & other public comments
 - Board adopts annual service plan

Documentation of Public Engagement

- The following pages present documentation of the public engagement process for each of the last three years.



Contact:
Hillary Blackerby
Planning and Marketing Manager
(805) 963-3364 ext. 218

FOR IMMEDIATE RELEASE
August 14, 2020

ANNUAL MTD SERVICE CHANGES TO GO INTO EFFECT MONDAY, AUGUST 17th

SANTA BARBARA – Santa Barbara MTD’s annual August service changes will go into effect at the beginning of the day on Monday, August 17, 2020.

While the usual in-person outreach for these changes had to be canceled due to COVID-19 restrictions, these changes were developed through a yearlong planning process, assessing on-time performance, and changing traffic pressures and patterns.

The new schedule includes minor changes to the schedules of Lines 7 (Old Town Goleta), 12x (Goleta Express), 20 (Carpinteria), 24x (UCSB Express), and 27 (Isla Vista Shuttle) to improve on-time performance.

Lines 15x (SBCC/UCSB Express) and 28 (UCSB Shuttle) are suspended until in-person classes at SBCC and UCSB resume, respectively. Additionally, booster services serving the Junior High and High Schools are on hold until Santa Barbara Unified returns to on-campus instruction.

The following lines will remain suspended until further notice, due to continued COVID-19 related service reductions:

- Line 10 (Cathedral Oaks)

- Line 16 (SBCC Shuttle)

- Line 36 (Seaside Shuttle)

- Line 37 (Crosstown Shuttle)

- Downtown and Waterfront Shuttles (Lines 30 and 34) are suspended through Summer of 2021.

The new schedule guide reflecting these changes is available at the Transit Center or online [here](#).

As a reminder to passengers, face coverings are required while waiting for, and on board all MTD buses. Passengers are asked to board at the rear door, while the front door is reserved for seniors and people with disabilities. Fares are not being collected at this time.

MTD encourages riders to double-check the schedule to see if their regular departure times have been altered. Customer Service Representatives are available for assistance at (805) 963-3366.

###

Is your schedule changing?

¿Está cambiando su horario?

15X 28

Lines 15x & 28 will return with reduced frequency when in-person classes restart at SBCC & UCSB

Las líneas 15x y 28 volverán con frecuencia reducida cuando las clases en persona se reinicien en SBCC y UCSB

7 12X 20
24X 27

Minor schedule changes

Cambios menores al horario

10 16 36
37



Lines 10, 16, 36, 37 & Downtown-Waterfront Shuttle remain suspended until further notice

Las líneas 10, 16, 36, 37 y Downtown-Waterfront Shuttle permanecen suspendidas hasta nuevo aviso



Pick up a new Schedule Guide to learn more!

¡Recoger un nuevo Guía de Horarios para saber más!

Effective August 17, 2020 | *Efectivo 17 de agosto 2020*

sbmtd.gov



Contact:
Hillary Blackerby
Planning & Marketing Manager
(805) 963-3364 ext. 218

FOR IMMEDIATE RELEASE
April 22, 2021

MTD TO SOLICIT INPUT ON PROPOSED SERVICE CHANGES THROUGH SURVEY AND VIRTUAL MEETINGS

SANTA BARBARA – Santa Barbara MTD is hosting two public outreach meetings in April and May, and is inviting the public to take a brief survey giving feedback on proposed service changes to local bus service. While the usual public in-person meetings cannot take place this year due to COVID-19 restrictions, there are still several ways for people to learn more and weigh in on the proposals.

These meetings are held annually in the spring to receive input on the proposed changes that would go into effect on August 16, 2021.

The proposed changes include:

Partial or full restoration of service on Lines 15x, 16, 27, and 28
Continued suspension of service on Lines 10, 36, 37, 90, 91, and 92
Termination of the Downtown and Waterfront Shuttle service

MTD invites the public to learn more and to give feedback via an **online survey** that explains all the proposed changes at www.sbmtd.gov/servicechanges. The survey is available in [English](#) and [Spanish](#).

MTD is hosting two virtual community meetings on the Zoom platform that will include a presentation about the proposed service changes, and an opportunity to record input from the public. Spanish interpretation will be provided.

The virtual community meeting webinars will be held at the following times:

Virtual Service Change Community Meeting Webinar #1

Wednesday, April 26th from 6:00 pm to 7:00 pm

Registration link for Meeting #1:

https://zoom.us/webinar/register/WN_R9HVJXdSQLqmlQvBy8pewg

Virtual Service Change Community Meeting Webinar #2

Tuesday, May 11th from 12:00 pm to 1:00 pm

Registration link for Meeting #2:

https://zoom.us/webinar/register/WN_22qsG8gARWWnih5kx35j3w

The same information will be shared at both meetings, and the meeting will be recorded.

In addition to the meetings listed above, a presentation on the proposed changes will be given at the May 11th meeting of the Isla Vista Community Services District Board of Directors. The meeting begins at 6:00pm.

For questions on proposed service changes, the public may contact Santa Barbara MTD at 805-963-3364 or email info@sbmtd.gov.

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Contacto:
Hillary Blackerby
Gerente de Planificación y Márketing
(805) 963-3364 ext. 218

PARA PUBLICACIÓN INMEDIATA
22 de abril del 2021

MTD SOLICITARÁ ENTRADA SOBRE LOS CAMBIOS DE SERVICIO PROPUESTOS A TRAVÉS DE ENCUESTAS Y REUNIONES VIRTUALES

SÁNTA BÁRBARA— Santa Barbara MTD está organizando dos reuniones de divulgación pública en abril y mayo, y está invitando al público a realizar una breve encuesta con comentarios sobre los cambios de servicio propuestos para el servicio de autobús local. Si bien las reuniones públicas habituales en persona no pueden tener lugar este año debido a las restricciones de COVID-19, todavía hay varias formas para que las personas aprendan más y opinen sobre las propuestas.

Estas reuniones se llevan a cabo anualmente en la primavera para recibir comentarios sobre los cambios propuestos que entrarían en vigencia el 16 de agosto de 2021.

Los cambios propuestos incluyen:

Restauración parcial o total del servicio en las Líneas 15x, 16, 27 y 28
Suspensión continua del servicio en las líneas 10, 36, 37, 90, 91 y 92
Terminación del servicio del Downtown y Waterfront Shuttle

MTD invita al público a obtener más información y a dar su opinión a través de una encuesta en línea que explica todos los cambios propuestos en www.sbmtd.gov/servicechanges. La encuesta está disponible en [inglés](#) y [español](#).

MTD está organizando dos reuniones de la comunidad virtual en la plataforma Zoom que incluirán una presentación sobre los cambios de servicio propuestos y la oportunidad de registrar las opiniones del público. Se proporcionará interpretación al español.

Los seminarios web de la reunión de la comunidad virtual se llevarán a cabo en los siguientes horarios:

La reunión pública virtual de cambios de servicio n. ° 1
miércoles, 28 de abril de 2021, de 6:00 pm a 7:00 pm
Enlace de registro para la reunión n. ° 1:
https://zoom.us/webinar/register/WN_R9HVJXdSQLqmlQvBy8pewg

La reunión pública virtual de cambios de servicio n. ° 2
martes, 11 de mayo de 2021, de 12:00 pm a 1:00 pm
Registration link for Meeting #2:
https://zoom.us/webinar/register/WN_22qsG8gARWWnih5kx35j3w

Se compartirá la misma información en ambas reuniones y se grabará la reunión.

Además de las reuniones enumeradas anteriormente, se dará una presentación sobre los cambios propuestos en la reunión del 11 de mayo de la Junta Directiva del Distrito de Servicios Comunitarios de Isla Vista. La reunión comienza a las 6:00 pm.

Si tiene preguntas sobre los cambios de servicio propuestos, el público puede comunicarse con Santa Barbara MTD al 805-963-3364 o enviar un correo electrónico a info@sbmtd.gov.

###



Contact:
Hillary Blackerby
Planning and Marketing Manager
(805) 963-3364 ext. 218

FOR IMMEDIATE RELEASE
August 12, 2021

ANNUAL MTD SERVICE CHANGES TO GO INTO EFFECT MONDAY, AUGUST 16th

SANTA BARBARA – Santa Barbara MTD’s annual August service changes will go into effect at the beginning of the day on Monday, August 16, 2021.

The new schedule includes the return of several lines that have been suspended since March of 2020 due to the pandemic. Line 16 (SBCC Shuttle) will return to full service, and Lines 15x (SBCC/UCSB Express) and 28 (UCSB Shuttle) will return with reduced service. These three lines will start when Santa Barbara City College and UC Santa Barbara students return to campus—August 23, 2021 and September 20, 2021, respectively. Line 27 (Isla Vista Shuttle) will remain on its reduced “UCSB out” schedule until further notice.

Booster services to area Junior Highs and High Schools will resume on Tuesday, August 17, 2021. Pickup and drop-off times have changed due to new bell schedules for Santa Barbara Unified School District, so families are encouraged to check the schedules [at this link](#).

The following lines will remain suspended until further notice, due to continued workforce and/or budget constraints:

- Line 10 (Cathedral Oaks)
- Line 36 (Seaside Shuttle)
- Line 37 (Crosstown Shuttle)
- Downtown and Waterfront Shuttles (Lines 30 and 34)

The new schedule guide reflecting these changes is available at the Transit Center or online [here](#).

As a reminder to passengers, federal law requires that face coverings be properly worn on all MTD buses at all times.

MTD encourages riders to double-check the schedule to see if their regular departure times have been altered. Customer Service Representatives are available for assistance at (805) 963-3366.

###

Is your schedule changing?

¿Está cambiando su horario?

15X 28

Lines 15x & 28 will return with reduced frequency when fall classes start at SBCC & UCSB

Las líneas 15x y 28 volverán con frecuencia reducida cuando las clases en persona se reinicien en SBCC y UCSB

27

Service will remain on the UCSB OUT schedule until further notice

El servicio permanecerá en el horario de UCSB OUT hasta nuevo aviso

10 36

37



Lines 10, 36, 37 & Downtown-Waterfront Shuttle remain suspended until further notice

Las líneas 10, 36, 37 y Downtown-Waterfront Shuttle permanecen suspendidas hasta nuevo aviso



Pick up a new Schedule Guide to learn more!

¡Recoger un nuevo Guía de Horarios para saber más!

Effective August 16, 2021 | *Efectivo 16 de agosto 2021*

sbmtd.gov



Contacto:
Hillary Blackerby
Gerente de Planificación y Márketing
(805) 963-3364 ext. 218

PARA PUBLICACIÓN INMEDIATA
5 de octubre del 2021

SANTA BARBARA MTD LANZA “MTD AVANZA”

La agencia de tránsito local de la costa sur inicia un proceso comunitario, busca información para desarrollar un nuevo plan de tránsito de corto alcance.

SÁNTA BÁRBARA– Hoy Santa Barbara MTD [anunció el lanzamiento de MTD Avanza](#), un proceso comunitario para crear un plan de tránsito de corto alcance que guiará el desarrollo del servicio de autobuses, la inversión en infraestructura y las necesidades de capital para el sistema de autobuses de MTD durante los próximos cinco años.

Los nuevos desarrollos residenciales, los cambios en los viajes diarios, la tecnología y la economía significan una gran oportunidad para repensar el tránsito en la costa sur del condado de Santa Bárbara.

Para priorizar las necesidades y deseos de nuestra comunidad para el servicio de autobús, MTD busca una amplia opinión de la comunidad de todos: las personas que viajan en autobús y las que no, empleados, empleadores, estudiantes, personas con discapacidades, personas mayores y líderes cívicos. Si vive o trabaja aquí, ¡MTD quiere saber de usted!

El proceso comienza ahora, con una **sesión de escucha virtual** programada para el **miércoles 20 de octubre de 2021 a partir de las 5:30 p.m. a las 7:00 p.m.**, donde se les pedirá a los asistentes que opinen sobre lo que es más importante para ellos en un sistema de autobuses. Las personas interesadas pueden [registrarse aquí](#) para la sesión de escucha. Se proporcionará interpretación en español / inglés.

Además, **un sitio web interactivo** con información del proyecto y una breve encuesta está disponible en inglés en sbmtd.gov/MTDMovesAhead y en sbmtd.gov/MTDAvanza en español.

MTD espera escuchar al público mientras comparten sus experiencias con nuestro sistema de autobuses local, sus prioridades para nuestro servicio y lo que les gustaría ver en el futuro.

###



Contact:
Hillary Blackerby
Planning & Marketing Manager
(805) 963-3364 ext. 218

FOR IMMEDIATE RELEASE
April 6, 2022

MTD TO MAKE TEMPORARY SERVICE REDUCTIONS AS OF MONDAY, APRIL 25

Service to be reduced temporarily to improve system reliability
in response to bus operator workforce shortage

SANTA BARBARA—Effective Monday, April 25, 2022, Santa Barbara MTD will be temporarily lowering service levels in order to improve system reliability. During the COVID-19 pandemic, transit operators nationwide and many other industries have experienced workforce shortages, and MTD is no different. While MTD continues to recruit aggressively for bus operators, the agency has experienced a confluence of retirements and normal attrition causing a drop in the number of available bus operators. This drop coupled with the Omicron surge has meant that various bus trips are occasionally cancelled, causing uncertainty for passengers.

In order to adjust service to a level that the MTD workforce can reliably cover on a daily basis, MTD staff have made surgical changes to service levels that will go into effect as of Monday, April 25, 2022. While these reductions are designed to last for the spring and summer period, MTD will notify the public about any future service adjustments.

“The reliability of our schedules is crucial and due to the current labor shortage the temporary reduction of service is a necessary step,” said MTD General Manager Jerry Estrada. “We hope that these temporary reductions will allow us the time to staff up appropriately and return to higher levels of service later this year.”

The changes are different for each bus line, so passengers are encouraged to review the schedules of the lines they ride in advance of April 25, 2022. Temporary schedule guides are being printed and hard copies will be available at the Transit Center and on-board buses by next week. In the meantime, a pdf of the new schedule guide is [available at this link](#) and the public can get further details at sbmtd.gov/reduced. The table on page 2 of this press release describes changes for each bus line.

Attachment: Summary of temporary service reductions

-MORE-



Contacto:
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PARA PUBLICACIÓN INMEDIATA
6 de abril del 2022

MTD REALIZARÁ REDUCCIONES TEMPORALES DE SERVICIO A PARTIR DEL LUNES 25 DE ABRIL

El servicio se reducirá temporalmente para mejorar la confiabilidad del sistema en respuesta a la escasez de mano de obra de los operadores de autobuses

SANTA BÁRBARA — A partir del lunes 25 de abril de 2022, Santa Barbara MTD reducirá temporalmente los niveles de servicio para mejorar la confiabilidad del sistema. Durante la pandemia de COVID-19, los operadores de tránsito en todo el país y muchas otras industrias han experimentado escasez de mano de obra, y MTD no es diferente. Si bien MTD continúa reclutando agresivamente para los operadores de autobuses, la agencia ha experimentado una confluencia de jubilaciones y bajas normales que causan una caída en la cantidad de operadores de autobuses disponibles. Esta caída, junto con la onda de Omicron, ha significado que varios viajes en autobús se cancelen ocasionalmente, lo que genera incertidumbre para los pasajeros.

Para ajustar el servicio a un nivel que la fuerza laboral de MTD pueda cubrir de manera confiable todos los días, el personal de MTD ha realizado cambios quirúrgicos en los niveles de servicio que entrarán en vigencia a partir del lunes 25 de abril de 2022. Si bien estas reducciones están diseñadas para durar para el período de primavera y verano, MTD notificará al público sobre cualquier ajuste futuro del servicio.

“La confiabilidad de nuestros horarios es crucial y debido a la actual escasez de mano de obra, la reducción temporal del servicio es un paso necesario,” dijo el gerente general de MTD, Jerry Estrada. “Esperamos que estas reducciones temporales nos den el tiempo necesario para incorporar el personal adecuado y volver a niveles más altos de servicio a finales de este año”.

Los cambios son diferentes para cada línea de autobús, por lo que se recomienda a los pasajeros que revisen los horarios de las líneas en las que viajan antes del 25 de abril de 2022. Se están imprimiendo guías de horarios temporales y habrá copias impresas disponibles en el Centro de Tránsito y a bordo de autobuses la próxima semana. Mientras tanto, un pdf de la nueva guía de horarios está [disponible en este enlace](#) y el público puede obtener más detalles en sbmtd.gov/reduced. La tabla en la página 2 de este comunicado de prensa describe los cambios para cada línea de autobús.

Adjunto: Resumen de reducciones de servicios temporales

-MÁS-



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FOR IMMEDIATE RELEASE
July 21, 2022

ANNUAL MTD SERVICE CHANGES TO OCCUR MONDAY, AUGUST 15th

Additional morning trips added to Lines 12x & 24x

SANTA BARBARA – Santa Barbara MTD makes service changes to local bus service every year in mid-August. This year's service changes will go into effect at the beginning of the day on Monday, August 15, 2022.

Due to a shortage of bus operators, temporary schedule reductions were made on April 25, 2022 in order to improve system reliability. Because the bus operator shortage continues, the majority of these temporary reductions will remain in effect through August 15th.

After the April reductions, MTD staff heard from regular riders that specific early morning trips on the Line 12x (Goleta Express) and Line 24x (UCSB Express) had been suspended, making it difficult to make it to work and other morning obligations. Taking this feedback, MTD staff worked to identify specific trips to reinstate on these lines.

The following trips will be added to the schedule for August:

Two Line 12x weekday AM outbound trips departing the Transit Center at 6:05 a.m. and 6:30 a.m.
One Line 12x weekday AM inbound trip departing Hollister & Storke at 7:58 a.m.
One Line 24x weekday AM outbound trip departing the Transit Center at 7:25 a.m.

Additionally, a minor routing change will happen for the Line 17 (Lower West/SBCC). Due to circulation improvements at the San Andres and Carrillo intersection in Santa Barbara, the inbound Line 17 route will now turn left on Canon Perdido from San Pascual, then right on San Andres before turning right on Carrillo to head to the Transit Center. This one block change does not affect any stops or schedules for the Line 17; it simply makes an operational improvement for the buses. This change now means the inbound and outbound routes are identical.

The new schedule guide reflecting these changes is available online [here](#). The printed version of the schedule guide will be available at the Transit Center and onboard buses at the beginning of August.

Customer Service Representatives are available for assistance at (805) 963-3366.

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PARA PUBLICACIÓN INMEDIATA
21 de julio del 2022

LOS CAMBIOS ANUALES DEL SERVICIO MTD SE REALIZARÁN EL LUNES 15 DE AGOSTO

Se agregaron viajes adicionales en la mañana a las Líneas 12x y 24x

SANTA BARBARA – Santa Barbara MTD hace cambios de servicio al servicio de autobús local todos los años a mediados de agosto. Los cambios de servicio de este año entrarán en vigencia al comienzo del día lunes 15 de agosto de 2022.

Debido a la escasez de operadores de autobuses, se realizaron reducciones temporales de horarios el 25 de abril de 2022 para mejorar la confiabilidad del sistema. Debido a que continúa la escasez de operadores de autobuses, la mayoría de estas reducciones temporales permanecerán vigentes hasta el 15 de agosto.

Después de las reducciones de abril, el personal de MTD escuchó de los pasajeros regulares que se habían suspendido viajes específicos temprano en la mañana en la Línea 12x (Goleta Express) y la Línea 24x (UCSB Express), lo que dificultaba llegar al trabajo y otras obligaciones matutinas. Tomando estos comentarios, el personal de MTD trabajó para identificar viajes específicos para restablecer en estas líneas.

Los siguientes viajes se agregarán a la programación para agosto:

Dos viajes salientes de la Línea 12x en las mañanas de lunes a viernes saliendo del Centro de Tránsito a las 6:05 a.m. y 6:30 a.m.

Un viaje entrante de la Línea 12x en las mañanas de lunes a viernes saliendo de Hollister y Storke a las 7:58 a.m.

Un viaje saliente de la Línea 24x en las mañanas de lunes a viernes saliendo del Centro de Tránsito a las 7:25 a.m.

Además, se producirá un cambio de ruta menor para la Línea 17 (Lower West/SBCC). Debido a las mejoras de circulación en la intersección de San Andrés y Carrillo en Santa Bárbara, la ruta entrante de la Línea 17 ahora girará a la izquierda en Canon Perdido desde San Pascual, luego a la derecha en San Andrés antes de girar a la derecha en Carrillo para dirigirse al Transit Center. Este cambio de cuadra no afecta ninguna parada ni horarios de la Línea 17; simplemente hace una mejora operativa para los autobuses. Este cambio ahora significa que las rutas entrantes y salientes son idénticas.

La nueva guía de horarios que refleja estos cambios está disponible en línea [aquí](#). La versión impresa de la guía de horarios estará disponible en el Transit Center ya bordo de los autobuses a principios de agosto.

Los Representantes de Servicio al Cliente están disponibles para asistencia al (805) 963-3366.

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Is your schedule changing? *¿Está cambiando su horario?*

12X 24X

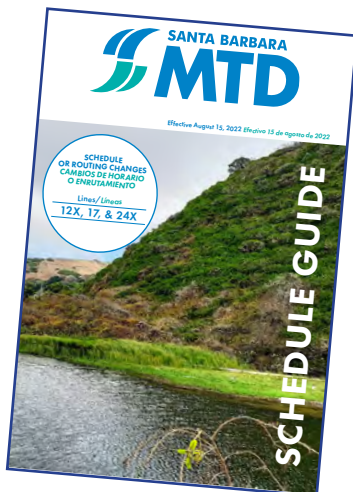
Lines 12x & 24x will have additional weekday morning trips.

Las líneas 12x y 24x tendrán viajes adicionales por la mañana entre semana.

17

Minor routing change to Line 17.
No stops affected.

*Cambio de ruta menor a la Línea 17.
No se afectaron las paradas.*



All other temporary service reductions are still in effect.

Todas las demás reducciones de servicios temporales siguen vigentes.

Pick up a new Schedule Guide to learn more!

¡Recoger un nuevo Guía de Horarios para saber más!

Effective August 15, 2022 | *Efectivo 15 de agosto 2022*

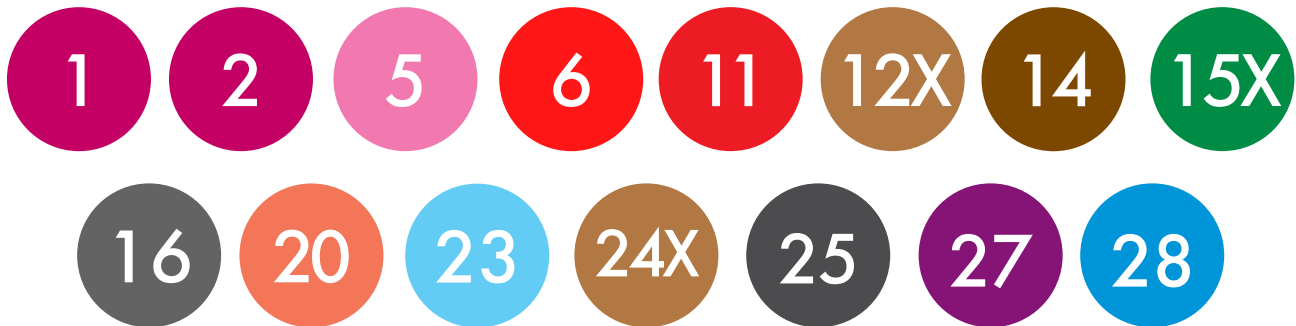
sbmtd.gov

Temporary Service Reductions

Reducciones Temporales de Servicio

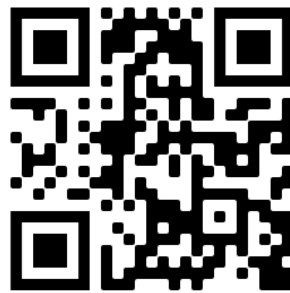
Effective Monday, April 25, 2022, service on the following lines will be temporarily reduced, changed, or suspended until further notice.

A partir del lunes 25 de abril de 2022, el servicio en las siguientes líneas se reducirá, cambiará o suspenderá temporalmente hasta nuevo aviso.



For more details on schedule changes, scan the QR code, pick up a schedule guide at the Transit Center, or visit our website.

Para obtener más detalles sobre los cambios de horario, escanee el código QR, recoja una guía en el Transit Center, o visite nuestro sitio web.



Effective April 25, 2022 | Efectivo 25 de abril de 2022



805.963.3366
sbmtd.gov/reduced

Summary of Temporary Service Reductions	
Route	What is changing?
Line 1 (West SB)	Reducing weekday PM peak headways from 10 minutes to 15 minutes
Line 2 (East SB)	Reducing weekday PM peak headways from 10 minutes to 15 minutes
Line 3 (Oak Park)	No reduction in service.
Line 4 (Mesa/SBCC)	No reduction in service.
Line 5 (Mesa/La Cumbre)	Reduced span of service and frequency on weekdays.
Line 6 (Goleta)	Reducing combined Lines 6 & 11 weekday AM and PM peak headways from 10 minutes to 15 minutes
Line 7 (Goleta Old Town)	No reduction in service.
Line 10 (Cathedral Oaks)	Service to remain suspended.
Line 11 (UCSB)	Reducing combined Lines 6 & 11 weekday AM and PM peak headways from 10 minutes to 15 minutes
Line 12x (Goleta Express)	Operating on Saturday service levels on weekdays
Line 14 (Montecito)	Reduced frequency on weekdays.
Line 15x (SBCC/UCSB Express)	Operating on a Limited Service schedule.
Line 16 (SBCC Shuttle)	Service temporarily suspended.
Line 17 (Lower West SB/SBCC)	No reduction in service.
Line 20 (Carpinteria)	Reduced frequency in weekday AM & PM peak from 15 minutes to 30 minutes, midday headways reduced from 40 minutes to 1 hour.
Line 23 (El Encanto Heights)	Small changes to weekday schedule times, no change to headways.
Line 24x (UCSB Express)	Reduced frequency on weekdays.
Line 25 (Ellwood/Winchester Canyon)	Small changes to weekday schedule times, no change to headways.
Line 27 (Isla Vista Shuttle)	Continuing to operate on UCSB Out schedule.
Line 28 (UCSB Shuttle)	Reduced weekday headways from 18 minutes to 36 minutes.
Lines 30 & 34 (Downtown/Waterfront Shuttle)	Service to remain suspended.
Line 36 (Seaside Shuttle)	Service to remain suspended.
Line 37 (Crosstown Shuttle)	Service to remain suspended.
Booster Services for Jr. Highs & High Schools	No reduction in service.

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Resumen de reducciones de servicios temporales	
Ruta	¿Qué está cambiando?
Línea 1 (West SB)	Reducción de la frecuencia de lunes a viernes en la tarde pico de 10 minutos a 15 minutos
Línea 2 (East SB)	Reducción de la frecuencia de lunes a viernes en la tarde pico de 10 minutos a 15 minutos
Línea 3 (Oak Park)	Sin reducción en el servicio
Línea 4 (Mesa/SBCC)	Sin reducción en el servicio
Línea 5 (Mesa/La Cumbre)	Duración de servicio y frecuencia reducidos de lunes a viernes
Línea 6 (Goleta)	Frecuencia reducida para las horas pico de la mañana y de la tarde de frecuencia combinada con la Línea 11 de 10 minutos a 15 minutos
Línea 7 (Goleta Old Town)	Sin reducción en el servicio
Línea 10 (Cathedral Oaks)	Servicio a permanecer suspendido
Línea 11 (UCSB)	Frecuencia reducida para las horas pico de la mañana y de la tarde de frecuencia combinada con la Línea 6 de 10 minutos a 15 minutos
Línea 12x (Goleta Express)	Operando los niveles de servicio de los sábados entre semana
Línea 14 (Montecito)	Frecuencia reducida de lunes a viernes
Línea 15x (SBCC/UCSB Express)	Operando en un horario de servicio limitado
Línea 16 (SBCC Shuttle)	Servicio suspendido temporalmente
Línea 17 (Lower West SB/SBCC)	Sin reducción en el servicio
Línea 20 (Carpinteria)	Frecuencia reducida para las horas pico de la mañana y de la tarde y para el mediodía de lunes a viernes
Línea 23 (El Encanto Heights)	Pequeños cambios en los horarios de los días de semana, sin cambios en la frecuencia
Línea 24x (UCSB Express)	Frecuencia reducidos de lunes a viernes
Línea 25 (Ellwood/Winchester Canyon)	Pequeños cambios en los horarios de los días de semana, sin cambios en la frecuencia
Línea 27 (Isla Vista Shuttle)	Continuando operando en el horario de UCSB Out
Línea 28 (UCSB Shuttle)	Frecuencia reducidos de lunes a viernes de 18 minutos a 36 minutos
Líneas 30 & 34 (Downtown/Waterfront Shuttle)	Servicio a permanecer suspendido
Línea 36 (Seaside Shuttle)	Servicio a permanecer suspendido
Línea 37 (Crosstown Shuttle)	Servicio a permanecer suspendido
Servicios para las escuelas secundarias	Sin reducción en el servicio



Contact:
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FOR IMMEDIATE RELEASE
October 5, 2021

SANTA BARBARA MTD LAUNCHES “MTD MOVES AHEAD”

The South Coast’s local transit agency kicks off a community process,
seeks input to develop a new Short Range Transit Plan

SANTA BARBARA – Today Santa Barbara MTD [announced the launch of MTD Moves Ahead](#), a community process to create a Short Range Transit Plan that will guide bus service development, infrastructure investment, and capital needs for MTD’s bus system over the next five years.

New residential developments, changes to commutes, technology, and the economy all mean a big opportunity to rethink transit on Santa Barbara County’s South Coast.

To prioritize our community’s needs and desires for bus service, MTD is seeking broad community input from everyone—people who ride the bus and those who don’t, employees, employers, students, people with disabilities, seniors, and civic leaders. If you live or work here, MTD wants to hear from you!

The process starts now, with a **virtual listening session** scheduled for **Wednesday, October 20, 2021 from 5:30 p.m. to 7:00 p.m.**, where attendees will be asked to weigh in on what is most important to them in a bus system. Interested individuals can [register here](#) for the listening session. Spanish/English interpretation will be provided.

Additionally, an interactive website with project information and a short survey is available in English at sbmtd.gov/MTDMovesAhead and at sbmtd.gov/MTDAvanza in Spanish.

MTD looks forward to hearing from the public as they share their experiences with our local bus system, their priorities for our service, and what they would like to see in the future.

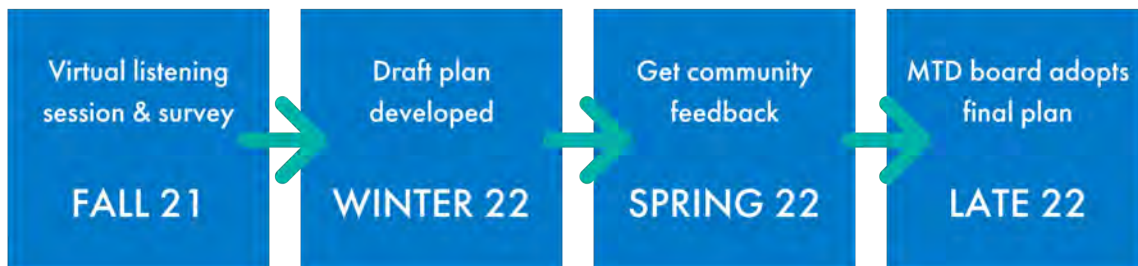
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APPENDIX A – MTD MOVES AHEAD ENGAGEMENT SUMMARY

In October 2021, Santa Barbara MTD announced the launch of *MTD Moves Ahead*, a community process to create a Short-Range Transit Plan that would guide bus service development, infrastructure investment, and capital needs for MTD's bus system over the next five years.

To prioritize the community's needs and desires for bus services, MTD sought to bring community input from everyone: people who ride the bus and those who don't, employees, employers, students, people with disabilities, seniors, and civic leaders. If you live or work on the South Coast, MTD wanted to hear from you. What resulted was a nine-month-long (October 2021-June 2022) community engagement process where MTD heard from the public as they shared their experiences with the local bus system, their priorities for their service, and what they would like to see in the future. Below is the final outreach report showing the engagement strategies and results of the engagement.

Short Range Transit Plan Process

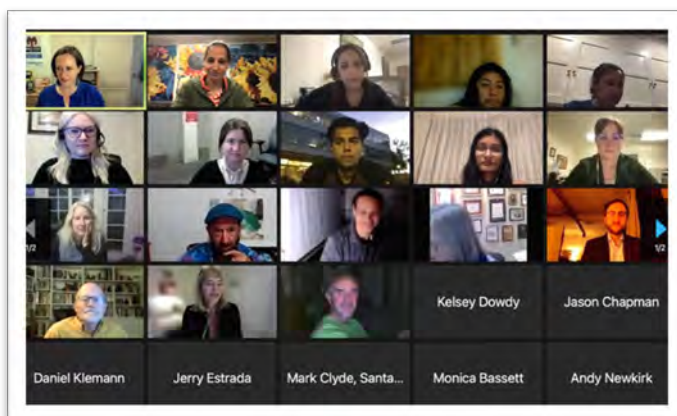


Virtual Listening Session and Project Survey

To initiate the community conversation for MTD Moves Ahead, MTD hosted the first of two online surveys as well virtual community listening session on Oct. 25, 2021.

The first of the project's two community surveys was launched from October 5th – October 31st, 2021 with the intention to hear from the participants about what their priorities were for transit in their communities. The project team received 313 total survey responses. This survey along with the listening session would directly guide the service recommendations and priorities for developing the draft plan.

The listening session was attended by 37 community members on October 20, 2021 on the teleconferencing software Zoom from 5:30 p.m. to 7:00 p.m. The listening session was held in English and Spanish using a Spanish interpreter and bilingual PowerPoint presentation.



For three weeks prior to the meeting, the project team consultants worked closely with Hillary Blackerby, Planning and Marketing Manager of MTD, to provide outreach to the local community. Flyers were placed at most bus stops and interior ads were installed on all buses, in an effort to get people to engage with the survey. MTD and the team made personal calls and emails to various community groups (listed below) asking them to share the flyer via e-newsletters, social media, website postings, etc.

MTD and the project team also produced a just under three-minute animated video explaining what 'MTD Moves Ahead' is and how the community can get involved throughout the process. The video was shared widely throughout the promotion of the listening session. Finally, a meeting summary and video of this first listening session were posted to the project website within two weeks.

You told us that you value:

70% Frequency and flexibility

64% Faster trips with fewer stops

59% More connections, faster travel time

53% All day service

Below are some groups that were contacted:

- Active Transportation Groups
 - o SB Bicycle Coalition
 - o Coalition for Sustainable Transportation
- Businesses
 - o Santa Barbara South Coast Chamber of Commerce
- Public Agencies
 - o City of Santa Barbara
 - o City of Goleta
 - o City of Carpinteria
 - o County of Santa Barbara
 - o Santa Barbara County Association of Governments
- Environmental Groups
 - o Sierra Club
 - o Community Environmental Council
- Schools
 - o UC Santa Barbara
 - o Santa Barbara City College

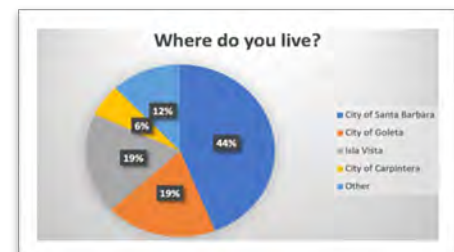


The meeting was facilitated to give a short background about MTD and its services, what a Short-Range Transit Plan is, and current MTD performance highlights before moving to a discussion on transit trade-offs and bus priority measures. A series of live polls were given throughout the presentation to understand the demographics in the room.

The questions and answers are as follows:

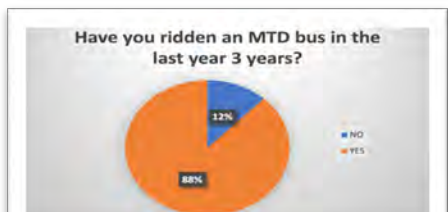
Question 1: Where Do You Live?

- City of Santa Barbara – 44%
- City of Isla Vista – 19%
- City of Goleta – 19%
- City of Carpinteria – 6%
- Other – 12%



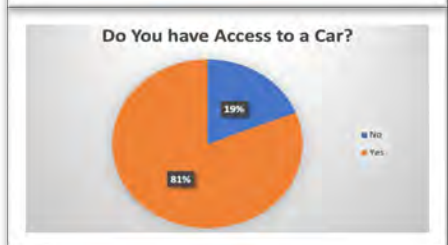
Question 2: Have You Ridden an MTD Bus in the Last 3 Years?

- Yes – 88%
- No – 12%



Question 3: Do You Have Access to a Car?

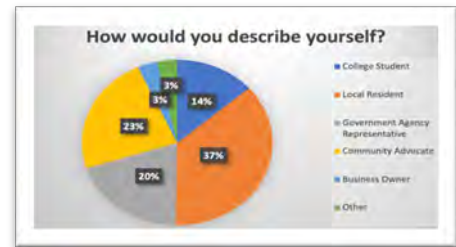
- Yes – 81%
- No – 19%



Question 4: How Would You Describe Yourself?

- Local Resident – 37%
- Government Agency Representative – 20%

- Community Advocate – 23%
- College Student – 14%
- Business Owner – 3%
- Other – 3%



The listening session ended by breaking into six small groups for further, more detailed discussions before the wrap-up and the next steps from the project team. The overall themes that emerged from the small group discussions were that, despite the presentation's emphasis on tradeoffs necessary for transit services, there was no consistent direction from participants on how those tradeoffs might be handled. In general, the groups wanted more of everything without being willing to give up anything.

Each of the six breakout rooms had vigorous interactive discussions regarding the questions from the second live polling exercise, which meant several of the groups did not get through all the topics. The groups that discussed the frequency of bus stops and walking distance were evenly split, with two favoring more stops and shorter walking distances and two others favoring fewer stops and longer walks because of shorter travel times. Several groups cited concerns about disabled access. Peak-hour travel was also discussed by several groups; while there was consistent support for peak-hour service, others emphasized the need for off-peak service for transit-dependent populations.

Through the survey, listening sessions, and technical analysis, the project team came up with the following draft plan recommendations:

1. Service Improvements:
 - a. More frequent service on key routes: 4, 6, 11, 17, 20
 - b. Later service on key routes: 1, 2, 4, 11, 17
2. Service Transitions: New and Modified Services
 - a. New direct service (Line 19x) operating on weekdays between SBCC, East SB, and Carpinteria
 - b. The Wave, an on-demand curb-to-curb microtransit service serving Goleta/Isla Vista and Carpinteria
 - c. A newly redesigned Downtown-Waterfront Circulator for consideration
 - d. Lines 10 and 36 would be terminated. Riders could use The Wave to travel and connect to MTD Lines
 - e. Line 37 would be terminated. Riders can use Lines 1 and 2, and the new Downtown-Waterfront Circulator
 - f. Lines 23 and 25 would become interlined at Calle Real and Winchester Canyon Rd to provide a one-seat ride through the area
3. Bus Priority Projects
 - a. Creating bus priority signals in key corridors and intersections to move more people more efficiently
 - b. Priority road treatments to give buses an easier time traveling through corridors and intersections



MTD Engagement Pop-Ups and Draft Plan Survey

After the draft plan was created in Winter 2022, MTD began a campaign to educate community members on proposed changes and ask for their feedback through a digital survey from May 5 - June 11, 2022. The survey and draft plan were marketed through on-bus and at-stop postings, organic and paid social media (analytics below), press releases, and in-person interaction at pop-ups and by Transit Center staff. The survey was available online through a QR code that people could scan and complete with their own devices. Over 400 responses were acquired through both digital awareness and in-person pop-up engagement in early May 2022. The following is a breakdown of results by language:

- English: 382 Responses (95%)
- Spanish: 19 Responses (5%)
- Total: 401 Responses

Pop-up locations included:

- Santa Barbara Farmer's Market
- Milpas & Montecito Bus Stop
- Carpinteria Farmer's Market
- San Andres & Micheltorena Bus Stop
- UCSB Bus Loop
- Old Town Goleta Bus Stop
- Downtown Santa Barbara Promenade Market
- Transit Center (x2)

Outreach pop-up details from May 5:

The aim was to meet bus riders out where they already are—at popular bus stops. Equipped with bilingual display boards, fact sheets, and tablets for survey taking, outreach staff engaged with bus riders at 4 locations in one day. The first location was at the Hollister and Nectarine bus stop in Old Town Goleta. This location serves a large Spanish-speaking population. Two bilingual engagement staff were able to provide messaging in English and Spanish for community members looking to do the survey and learn more about the Short-Range Transit Plan.



The second location was at the University of California, Santa Barbara North Hall Bus Loop. With a larger number of students waiting for the bus, the engagement team was split between two different spots to maximize the amount of outreach done. Students were approached as they were waiting for the bus, and many were able to complete the survey as they waited.

The third location was at the MTD Transit Center, which is the main hub for many of the bus Lines. The transit center sees a large volume of people waiting for and getting off the bus every day. Many people were given flyers and survey information while waiting for their bus. MTD had very recently made temporary service reductions on April 25th in response to a bus operator shortage, and



outreach staff were able to answer questions and receive feedback from passengers on how those reductions were received.

The final pop-up that day was held on the State Street Promenade in Downtown Santa Barbara to coincide with the monthly “First Thursday” event that brings locals and visitors downtown to enjoy live music, art, and shopping. MTD staff were able to chat with riders and non-riders, both of whom were encouraged to give their feedback on the survey.



Many of the conversations had by the project team during the May 5th pop-ups talked about the proposed on-demand curb-to-curb Wave micro-transit service in Goleta/Isla Vista as many indicated they were excited about that service and that they would be more likely to ride if given the opportunity.

There was a high population of college students who indicated more accessibility to bike racks, USB charging stations on board, and bus cleanliness during COVID a top priority for their service needs. Finally, community members indicated how they were excited to take the survey to be sure the bus is fitting their needs for more on-demand service, timeliness and frequency were the key themes. Overall, the AIM team got a sense that the community understands that more changes need to be made for the service to accommodate the ever-changing times and while they were encouraged by the engagement they are a bit wary about how those changes will play out during their day-to-day rides.

The rest of the five other pop-up locations were handled internally by MTD staff in May and June and included the rest of the above-listed locations. These were targeted in MTD's other service areas, including Santa Barbara's East and West side neighborhoods, and Carpinteria.

Survey Findings

- 401 people responded to the MTD Moves Ahead survey on proposed service changes for the short-range transit plan. Of those respondents, 84% were riders, and responses from every age demographic were received.
- The greatest support was related to proposed frequency changes to Lines 6 and 11 and later service on Line 11, with 80% of all respondents more likely to ride. The proposed on-demand Wave microtransit service in Goleta/Isla Vista also received support from 68% of all respondents and notably, 78% of impacted ZIP Codes would be "much more likely" to ride.
- Other comments included desires to have more bike rack capacity, bring electric scooters on the bus, make buses faster and more reliable, as well as improve information availability. Several people expressed their concern that masks were no longer required on the bus.
- There was strong support for reintroducing the Downtown-Waterfront Shuttle, with support for the Crosstown Shuttle. In addition to 49% of riders indicating the Downtown-Waterfront Circulator would make them "much more likely to take MTD," 13 individual comments expressed support for the shuttles.
- Overall, 78% of respondents indicated that bus queue jumps and bus-only lanes would encourage them to ride MTD more often and 80% of respondents indicated they would ride more often if signal priorities were implemented. Comments from bicyclists did point out concerns about disrupting bike lanes and increasing the complexity of intersections. These responses show robust support for tactics aimed at speeding up buses while making journeys more reliable.

Outreach Analytics

October 2021: Organic Social Media

- Facebook:
 - Posts: 11
- Twitter
 - 1 post
 - Impressions: 1165
 - Engagement: 36
- Instagram
 - 8 posts
 - Post reach: 1399
 - Likes: 103
- YouTube Videos
 - MTD Moves Ahead promotion video
 - Average view duration: 45 seconds
 - Views: 282
 - MTD Avanza promotion video
 - Average view duration: 28 seconds
 - Views: 17
 - MTD Moves Ahead Listening Session (recorded and posted)
 - Average view duration: 7:52
 - Views: 30

Sendgrid:

- MTD Moves Ahead email was sent out to all our newsletter contacts.
- The newsletter had a blurb about MTD Moves Ahead virtual listening session with links.
- Delivered: 151
- Unique opens: 82

Website Analytics:

- MTD Moves Ahead (October 1-31)
 - <https://sbmtd.gov/mtdmovesahead/>
 - Page views: 1,042
 - Average time on page: 2:28
- MTD Avanza (October 1-31)
 - <https://sbmtd.gov/mtdavanza/>
 - Page views: 95
 - Average time on page: 2:05
- Added splash to website homepage that encouraged participation in MTD Moves Ahead virtual listening session.
- MTD Moves Ahead/Avanza videos
 - Video views, English version: 359
 - <https://www.youtube.com/watch?v=oafO2ktly54&t=3s>
 - Video views, Spanish version: 21
 - <https://www.youtube.com/watch?v=u3qy9c3LvvY>

Press release:

- https://sbmtd.gov/mtd_news/santa-barbara-mtd-launches-mtd-moves-ahead/

Press coverage:

- <https://www.edhat.com/news/santa-barbara-mtd-launches-mtd-moves-ahead>

- https://www.noozhawk.com/article/santa_barbara_mtd_wants_ideas_on_short_range_transit_plan
- <https://www.independent.com/2021/10/26/only-six-more-days-to-share-south-coast-priorities-on-mtd-moves-ahead-survey/>
- https://www.noozhawk.com/article/help_steer_santa_barbara_mtd_into_the_future

June 2022: Organic Social Media

- Facebook:
 - 15 posts
 - 2,432 post reach
 - 237 post engagements
- Twitter (15 posts)
 - Impressions: 19,341
 - Engagements: 215
- Instagram
 - 15 posts
 - 2,201 post reach
 - 288 likes
 - Instagram story (17 posts)

Instagram Live Analytics:

- 77 views
- 13 likes
- 1 comment
- 2 sends
- 1 bookmark
- 141 accounts reached
 - 123 followers
 - 18 non-followers
- 17 interactions
- 3 profile visits

Facebook Ads:

- Link clicks: 254
- Per link click: 0.98
- Amount spent: 249.44
- Demographics: 61% women, 39% men
- Dates: June 3-June 7
- Location: 93111 (Goleta), 93108 (Montecito), 93109 (Santa Barbara), 93117 (Solvang)
- Age: 18-65+
- Interests: small businesses, public transport bus service, transit, environmental health, climate, electric vehicle, public transport, cycling, hybrid electric vehicle
- Behaviors: Expats (Had lived in UK or lived in Sweden)

Sendgrid:

- MTD Moves Ahead email was sent out to all our newsletter contacts.
- Delivered: 501
- Unique opens: 224

- Unique clicks: 35

Website Analytics:

- MTD Moves Ahead
 - <https://sbmtd.gov/mtdmovesahead/>
 - Page views: 1,381
 - Average time on page: 4:33
- MTD Avanza
 - <https://sbmtd.gov/mtdavanza/>
 - Page views: 302
 - Average time on page: 2:17
- Added splash to website homepage that linked to survey:
 - Help us plan for a better future. Learn more and take the survey here.
Ayúdanos a planificar un futuro mejor. Obtenga más información y responda la encuesta aquí.

Press release:

https://sbmtd.gov/mtd_news/mtd-engages-with-the-community-on-proposed-future-improvements-to-bus-service-requests-survey-participation/

Press coverage:

- <https://www.edhat.com/news/santa-barbara-mtd-engages-with-community-on-proposed-future-improvements-to-bus-service>
- <https://keyt.com/news/santa-barbara-s-county/2022/05/23/santa-barbara-mtd-seeks-community-input-to-help-create-short-range-transit-plan/>
- <https://keyt.com/news/2022/05/19/santa-barbara-mtd-seeking-public-input-on-improvements-to-bus-service/>
- <https://www.independent.com/2022/05/24/santa-barbara-mtd-forges-ahead-with-new-moves/>
- <https://carpinteriaca.gov/santa-barbara-mtd-seeks-community-input/>

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ATTACHMENT D: MTD LEP ASSISTANCE PLAN

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Santa Barbara Metropolitan Transit District Limited English Proficiency (LEP) Assistance Plan

MTD is required to implement the U.S. Department of Transportation's *Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficient (LEP) Persons* (DOT LEP Guidance, Federal Register, vol. 70, no. 239, pp. 74087–74100, December 14, 2005). Pursuant to this requirement, MTD has taken steps to ensure meaningful access by LEP persons to the benefits, services, information, and other important portions of our programs and activities. MTD conducted a four-factor analysis to determine the appropriate mix of LEP services to offer.

FOUR FACTOR ANALYSIS:

Factor 1: The Number and Proportion of LEP Persons Served or Encountered in the Eligible Service Population.

MTD analyzed American Community Survey (ACS) data regarding the number of LEP persons living in the agency's service area, as presented in the table below. The analysis suggested that 7,804 Spanish-speaking persons who speak English "not well" and 2,737 Spanish-speaking persons who speak English "not at all" live in the agency's service area. These persons combined represent 5.2% of all persons five years and older residing in the service area.

In addition to the Spanish-speaking LEP persons, the analysis revealed smaller numbers of persons who speak languages other than Spanish and speak English "not well" or "not at all." The ACS identified 264 such persons who speak other Indo-European languages, 827 such persons who speak Asian and Pacific Island languages, and 83 such persons who speak other languages. These persons comprise 0.1%, 0.4%, and 0.04%, respectively, of all persons five years and older residing in the service area.

Factor 2: The Frequency with Which LEP Individuals Come into Contact with your programs, activities, & services.

MTD serves a large number of Spanish-speaking LEP persons daily. Although the agency does not have a count of the exact number of such persons riding the bus daily, anecdotal data suggest that the number is significant. In addition, bilingual Customer Service Representatives at MTD's Transit Center and staff at MTD's administrative offices respond to numerous questions from Spanish-speaking LEP persons each day. MTD is not aware of any evidence that non-Spanish-speaking LEP persons are frequent users of our services, information, or other important portions of our programs and activities.

Factor 3: The Importance to LEP Persons of Your Program, Activities, & Services.

MTD's program is very important to many Spanish-speaking LEP persons in the agency's service area. MTD provides important transit services to the public through its public transportation program. MTD is the only major public transportation provider in the service area, and provides a vital link between residential areas and major activity centers throughout the agency's service area.

Factor 4: The Resources Available to the Recipient and Costs.

A significant number of Spanish-speaking LEP persons live in MTD's service area, and many of these persons utilize our services frequently. MTD provides schedules and all other public information in both English and Spanish. In addition, MTD ensures that at least one Spanish-speaking staff member is present at public meetings. There is a cost to MTD to provide the assistance necessary to ensure meaningful access by LEP persons to the benefits, services, information, and other important portions of our programs and activities. However, MTD believes the cost is justified, relative to the benefits derived from providing such assistance. MTD will continue to provide such assistance, and will continue to look for ways to enhance the assistance offered.

IMPLEMENTATION PLAN:

Based on the four-factor analysis, MTD recognizes the need to continue providing services for Spanish-speaking LEP persons. The assistance that MTD offers during our public outreach process includes:

- Press releases sent to Spanish-language media and radio stations.
- Flyers in both English and Spanish advertising public meetings are available on all buses and at the Transit Center.
- All flyers are posted on the website and are in both English and Spanish.
- These flyers include information in both English and Spanish on how to comment on the proposed service changes if you cannot get to the meeting.
- Several Customer Service Representatives at MTD's Transit Center are bilingual and can answer questions from Spanish-speaking LEP persons.
- Spanish-speaking translators are available at public meetings.
- All boarding announcements at MTD's downtown Santa Barbara Transit Center are in both English and Spanish.

MTD will perform a four-factor analysis every three years to identify what, if any, additional information or activities might better improve MTD's services to assure non-discriminatory service to LEP persons. MTD will then evaluate the projected financial impact and personnel needed to provide the requested services, and assess which of these can be provided cost-effectively.

**LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH
FOR THE POPULATION 5 YEARS AND OVER**

Line Item	Carpinteria CCD*	Santa Barbara CCD*	Total
Total Population 5 Years and Older	17,194	185,978	203,172
Speak only English	10,685	127,355	138,040
<i>Speak Spanish:</i>	5,671	40,901	46,572
Speak English "very well"	3,470	25,134	28,604
Speak English "well"	977	6,450	7,427
Speak English "not well"	811	6,993	7,804
Speak English "not at all"	413	2,324	2,737
<i>Speak other Indo-European languages:</i>	489	7,173	7,662
Speak English "very well"	445	6,011	6,456
Speak English "well"	34	908	942
Speak English "not well"	10	241	251
Speak English "not at all"	0	13	13
<i>Speak Asian and Pacific Island languages:</i>	216	9,569	9,785
Speak English "very well"	174	6,105	6,279
Speak English "well"	30	2,649	2,679
Speak English "not well"	12	703	715
Speak English "not at all"	0	112	112
<i>Speak other languages:</i>	133	980	1,113
Speak English "very well"	96	728	824
Speak English "well"	37	169	206
Speak English "not well"	0	74	74
Speak English "not at all"	0	9	9

*CCD is "Census County Division." The South Coast comprises these two CCDs.

Source: 2016-2020 American Community Survey 5-Year Estimates (Table B16004).

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ATTACHMENT E: MTD SUBRECIPIENT MONITORING PROGRAM

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Santa Barbara Metropolitan Transit District Sub-Recipient Monitoring Program

June 30, 2022

I. Purpose

Santa Barbara Metropolitan Transit District (SBMTD) is responsible for monitoring the programmatic and financial activities of its sub-recipients to ensure proper stewardship of sponsor funds. The following program policy applies to all sub-awards issued under sponsored programs made to SBMTD without regard to the primary source of funding. Additionally, this policy addresses organizational responsibilities and assists administrators to ensure that, in addition to achieving performance goals, sub-recipients comply with the applicable federal laws and regulations within the provisions of each sub award agreement.

II. Reason for Program

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) ("Uniform Guidance"), specifically §200.332, requires pass-through entities to evaluate each Sub-recipient's risk of noncompliance in order to determine the appropriate monitoring level, monitor the activities of sub-recipient organizations to ensure that the sub-award is in compliance with applicable Federal statutes, regulations and terms of the sub-award, and verify that sub-recipients are audited as required by Subpart F of the Uniform Guidance.

For non-federal awards, SBMTD may also be required by the sponsor to provide evidence of due diligence in reviewing the ability of a sub-recipient to properly meet the objectives of the sub-award and account for the sponsor's funds.

Failure to adequately monitor the compliance of sub-recipients could result in reputational damage to SBMTD, and jeopardize current and future funding. It is the responsibility of SBMTD, as the pass-through entity, to ensure the good stewardship of sponsored funding. All funds assigned to Sub-recipient organizations should receive the same diligence as sponsored funds that remain at SBMTD.

III. Delegation of Responsibility

The General Manager delegates to the Director of Finance and Administration the responsibility to administer the Sub-Recipient Monitoring Program. The Director of Finance and Administration may delegate responsibility of specific functions of the Sub-recipient Monitoring Program to staff as necessary.

IV. Responsibilities

The Designated Project Manager:

- Reviews past assessments to assess the risk level of potential sub-recipient organizations at the time of proposal
- Conducts site visits as necessary to determine performance and compliance
- Ensures all project elements, documents, and reports are delivered timely and accurately
- Confirms the statement of work and reviews any non-standard terms and conditions of the sub-award during the sub-award agreement negotiation process
- Monitors programmatic progress and ability of the sub-recipient to meet objectives of the sub-award
- Reviews and approves sub-recipient invoices
- Monitors each sub-award throughout the period of performance and escalates concerns to Director of Finance and Administration

- Reviews the sub-agreements on a quarterly basis
- Provides written confirmation of the review
- Establishes Meetings with General Manager and Project Manager to resolve issues on sub-awards with the Sub-Recipient.
- Provides records of quarterly sub-award monitoring of individual sub-awards and follow report with material issues noted during the reviews and the corrective action taken.

The Director of Finance and Administration:

- Completes risk assessments on new sub-recipient organizations and conduct annual assessments on active non-single audit sub-recipient organizations
- For single audit entities:
 - On an annual basis confirms that there are no findings against an SBMTD sub-award, and;
 - Completes risk assessments on a rolling 3-year basis
 - On a monthly basis, follows up with sub-recipient reps, by email, of all organizations that have been assessed as high risk
- Maintains the sub-recipient monitoring organizational risk assessment business process
- Reviews information obtained for initial and annual sub-recipient organization risk assessment and assign a risk rating (Low-Green, Medium-Yellow, High-Red)
- Incorporates additional terms into sub-awards if needed, based on information received, and the risk assessment of the sub-recipient organization
- For red and yellow risk rated organizations, review, revise, and approve risk assessments on new sub-recipient organizations and annual updates to active sub-recipient organizations' risk ratings
- Reviews problematic sub-awards as identified to establish additional monitoring criteria
- Updates sub-recipient organization risk rating when appropriate
- Provides training to SBMTD on sub-recipient monitoring
- Reviews past assessments to assess the risk level of potential sub-recipient organizations at the time of proposal

The General Manager:

- Reviews and approves certain high-risk projects that may involve sub-recipients at the proposal stage and, as necessary, during the life of the award

V. Reporting

Staff shall report to the Board of Directors on the status of any high-risk projects that involve sub-recipients where the sub-recipient cannot make the necessary corrections to their program where the granting agency has placed a condition on SBMTD for these actions which could jeopardize current and/or future funding.

VI. Modifications

This Sub-Recipient Monitoring Program may be amended at any time by approval of the General Manager.

ATTACHMENT F: MTD SERVICE STANDARDS & POLICIES



Santa Barbara Metropolitan Transit District System-Wide Service Standards & Policies

VEHICLE LOAD STANDARD

The average of all loads should not exceed vehicles' achievable capacities:

Santa Barbara Metropolitan Transit District - Maximum Load Factor

Service Type	Bus Length (Feet)	Seated (Average)	Standing (Policy)	Total Riders	Maximum Load Factor
Shuttle Routes	30'	22	12	34	1.6
Trunk & Local Routes	29'	26	20	46	1.8
	40'	37	30	67	1.8
	60'	55	60	115	2.1
Express Routes	40'	37	30	67	1.8

VEHICLE HEADWAY STANDARD

Headways shall be based on passenger demand and budgetary considerations. Headway targets for shuttle, trunk and local routes are every 30 minutes or better during weekday peak periods, and every 60 minutes or better off-peak and on weekends. Express routes should run at least 3 trips during peak commute times to support work shift start and end times.

ON-TIME PERFORMANCE STANDARD

At least 80 percent of trips will depart no more than 5 minutes after their scheduled time and no more than 1 minute prior to their scheduled time.

SERVICE AVAILABILITY STANDARD

Transit service within the District shall be distributed so that a minimum of 80 percent of all residents in the District's boundaries are within a ½-mile walk of bus service, to the extent feasible.

VEHICLE ASSIGNMENT POLICY

Bus assignments take into account the operating characteristics of buses of various lengths, which are matched to the operating characteristics of the route. Local routes with lower ridership may be assigned 29-foot buses rather than 40-foot buses. Routes requiring tight turns on narrow streets may also be assigned 29-foot buses.

TRANSIT AMENITIES POLICY

Installation of transit amenities along bus routes are based on the number of passenger boardings at stops along those routes, and on the availability of funding from various partners.

ATTACHMENT G: MTD BOARD OF DIRECTORS RESOLUTION

RESOLUTION
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

IN THE MATTER OF APPROVING THE SANTA
BARBARA METROPOLITAN TRANSIT DISTRICT
REVISED TITLE VI NONDISCRIMINATION PROGRAM

RESOLUTION NO. 2022-05

WHEREAS, the Santa Barbara Metropolitan Transit District ("District") is established and existing under Part 9, Division 10, of the California Public Utilities Code, codified at Sections 95000-97100, and empowered to provide public transportation service in the South Coast of Santa Barbara County; and

WHEREAS, the District is a direct recipient of federal Section 5307 operating funding from the Federal Transit Administration; and

WHEREAS, the District must ensure that the level and quality of public transportation service is provided in a nondiscriminatory manner; and

WHEREAS, the District must promote full and fair participation in public transportation decision-making without regard to race, color, or national origin; and

WHEREAS, the District must ensure meaningful access to transit-related programs and activities by persons with limited English proficiency; and

WHEREAS, the District is required by the Federal Transit Administration to prepare and submit a Title VI Program reaffirming the District's commitment to nondiscrimination once every three years.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors approves the Santa Barbara Metropolitan Transit District Title VI Program: 2023 - 2025.

PASSED AND ADOPTED by the Board of Directors of the Santa Barbara Metropolitan Transit District this 17th day of November, 2022, by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

Chair, Board of Directors

ATTEST:

Secretary, Board of Directors

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: November 15, 2022
Subject: General Manager's Report

Congratulations to Nicholas Roman, Jeffrey Pickney and Kristen Proksch, three of our Bus Operators in Training. All have passed their behind the wheel drive tests, and will now spend several weeks driving all our routes with senior Bus Operators.

New Flyer provided an updated production schedule indicating that the first of MTD's nine buses will not arrive until early January 2023. The delays are a result of ongoing parts shortages and supply chain bottlenecks, which could further affect the production schedule between now and bus deliveries. Staff will keep the Board apprised of any additional changes to the build timeline.

MTD's California Energy Commission (CEC) Blueprint Grant project team is continuing to work on community engagement efforts in accordance with the Outreach Plan provided to the CEC in late August. Engagement activities include surveys, brainstorming sessions, a webpage, neighborhood listening sessions, and others. The goal is to educate and seek feedback from the community on the City of Santa Barbara's bold climate action initiatives and MTD's Blueprint project.

Staff submitted an application to the Santa Barbara County Air Pollution Control District's (SBCAPCD) 2022 Clean Air Grants for On-Road Trucks and Buses funding opportunity in late August. The grant provides partial funding for a zero-emission or near zero emission heavy-duty vehicle. Staff will provide an update to the Board as soon as a determination about MTD's grant application is made.

MTD held its annual Veterans Day celebration for MTD employees on Thursday, November 10th. Thirteen MTD employees are veterans of the U.S. Armed Services and we thank them for their service.

Staff responded to a few initial issues raised by the FTA analyst regarding MTD's FY 2022 National Transit Database (NTD) Annual Report to the Federal Transit Administration (FTA) and resubmitted the Report for further analysis. The NTD Annual Report includes extensive MTD financial, operational, maintenance, and employee data. Typically, the NTD analyst will return the report at least once or twice with questions for staff prior to accepting the report by March of the following year.

Staff attended a Zoom meeting of the Santa Barbara County Association of Governments' (SBCAG's) Technical Transportation Advisory Committee (TTAC) on November 3. TTAC received updates on SBCAG submittals for SB1 funding for the U.S. 101 Multimodal Corridor, the FY 2020-21 Draft Measure A Audit Reports, SBCAG's FY 2023-24 Overall Work Program, Revised FY 2021-22 Local Transportation Fund (LTF) Apportionments, and Draft Measure A Revenue Estimates for FYs 2023-24 To 2027-28. Caltrans provided a presentation regarding their draft U.S. 101 Business Plan document. The Business Plan covers the portion of U.S. 101 that traverses Caltrans District 5. The Executive Summary of the Business Plan states that it unites

the different constrained and unconstrained projects along the US 101 Corridor in District 5 into a single document, capturing a holistic vision for US 101 through the Central Coast.

Accounting Staff completed the FY 2022 Single Audit. A report will be made at the Board Meeting. Due to increases in Sales Tax Revenues, revised Claims were filed with SBCAG for State Transit Assistance and Transportation Development Act – Local Transportation Fund (LTF) apportionments. A year-end check-list review and Summary Plan Description report distribution were completed for the 401(k) Retirement Plan with Fidelity.