



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING MINUTES*
February 11, 2022 – 8:00 AM**

MEETING HELD VIA TELECONFERENCE

A regular meeting of the Finance, Budget and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, February 11, 2022, via teleconference.

The Committee Meeting Agenda Packet can be found online at www.SCMTD.com. *Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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1 CALLED TO ORDER by Director Rotkin at 8:03 AM.

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

Director Shebreh Kalantari-Johnson
Director Manu Koenig
Director Donna Lind
Director Mike Rotkin

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

Dawn Crummié
Julie Sherman

METRO Interim CEO/General Manager
METRO General Counsel

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

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

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

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

5 MONTHLY FINANCIAL UPDATE

Chuck Farmer, CFO, provided a brief overview of the year-to-date monthly financial report as of January 31, 2022. Clarification was requested on fringe benefits to which CFO Farmer responded that the fringe benefits are the benefits associated with a position in addition to salaries. Discussion continued on the drawdown of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the use now of the American Rescue Plan Act (ARPA) funds. Kristina Mihaylova, Deputy Finance Director, added that the process of depleting the ARPA funds can take up to two years. Concern was raised on the health impact of overtime on the Bus Operators. Margo Ross, COO, responded it is a concern and she

routinely talks to her staff to look for signs of fatigue. There is no forced overtime. Everyone using overtime is choosing to do so. There is a small percentage of Bus Operators that are offered overtime based on seniority and that is driven by the SMART/METRO Memorandum of Understanding (MOU).

6 KEY PERFORMANCE INDICATORS (KPI) REPORT FOR 2ND QUARTER FY22 THROUGH DECEMBER 31, 2021

Kristina Mihaylova, Finance Deputy Director, provided commentary to the presentation. Discussion followed on farebox recovery and if that is having an impact on grant funding. Ms. Mihaylova said METRO is not experiencing any fallout due to lower farebox revenue. The question was raised on how METRO compares to the national average. John Urgo, Planning and Development Director, replied that 20% recovery is high for bus systems at this time. Ms. Mihaylova added that pre-COVID numbers were higher; in the 40-45% range. Director Rotkin asked if we have the numbers on how we compare to the nation regarding “Cost Per Revenue Service Hours?” Ms. Mihaylova said we will try to incorporate that into the next report. Clarification was requested on the chargeable road calls and if a mechanic is at fault. Eddie Benson, Fleet Maintenance Manager, explained what is classified as a chargeable road call and that with our aging buses, it usually relates to a worn out part.

There was no public comment.

7 ADJOURNMENT

Director Rotkin adjourned the meeting at 8:44 AM.

Respectfully submitted,

Donna Bauer
Executive Assistant