



MEETING NOTICE & AGENDA

DATE: Thursday, December 15, 2022

TIME: 4:00 P.M.

PLACE: Yuba County Government Center
Board of Supervisors Chambers
915 Eighth Street
Marysville, California

A remote option for audience participation is being provided only as a courtesy. Members of the Yuba-Sutter Transit Board of Directors must attend in person. If the remote connection fails for any reason, the meeting will continue as noticed so the public must attend in person to assure access to the meeting.

To join the meeting from your computer, tablet, or smartphone, please use the Zoom Meeting link below.

<https://us02web.zoom.us/j/84537494285?pwd=aVluZzByWThvdmJ1amZYSDdaUEcrdz09>

To join by telephone conference call: 1-669-900-6833

Meeting ID: 845 3749 4285

Password: 100669

The public will be muted by default. The following options are available to speak during the public comment portions of the meeting:

- Online: Raise your hand or use the Q&A panel to submit your comments.
- Phone: Press *9 to raise your hand or press *6 to send a request to be unmuted to submit comments.

I. Call to Order & Roll Call

Bains, Blaser, Buttacavoli, Fuhrer, Hudson (Chair), Kirchner (Vice-Chair), Micheli and Shaw

II. Presentations

- A. State Transportation Development Act (TDA) Triennial Performance Audit.** Consultant presentation of the state mandated audit for the three-year period ending June 30, 2021. (Attachment)

RECOMMENDATION: Information only.

III. Public Business from the Floor

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

IV. Consent Calendar

All matters listed under Consent Calendar are considered routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or public request specific items to be discussed or removed from the Consent Calendar for specific action.

- A.** Minutes from the Regular Meeting of September 15, 2022. (Attachment)
- B.** Disbursement List for September 2022. (Attachment)
- C.** Disbursement List for October 2022. (Attachment)

- D. Disbursement List for November 2022. (Attachment)
- E. Monthly Performance Report for September 2022. (Attachment)
- F. Monthly Performance Report for October 2022. (Attachment)
- G. Monthly Performance Report for November. (Attachment)
- H. Public Transportation Agency Safety Plan (PTASP) Amendment. (Attachment)

V. Reports

- A. FY 2021/2022 Financial Audit Report.** (Attachment).

RECOMMENDATION: Accept the FY 2021/2022 Financial Audit as presented.

- B. Yuba-Sutter NextGen Transit Plan Update.** (Attachment)

RECOMMENDATION: Set a special meeting of the Yuba-Sutter Transit Board of Directors for Thursday, January 12, 2023 at 4:00 p.m. in the Yuba County Government Center.

- C. Appointment of an Ad Hoc Personnel/Search Committee.** (Attachment)

RECOMMENDATION: Appoint an ad hoc committee as proposed.

- D. First Quarter FY 2023 Budget Report.** (Attachment)

RECOMMENDATION: Information only.

- E. First Quarter Performance Report.** (Attachment)

RECOMMENDATION: Information only.

- F. Project & Program Updates.**

1. Introduction of New Storer Transit Systems General Manager Doug Cook
2. Feather River Air Quality Management District (FRAQMD) Discount Monthly Pass Program Grant Award
3. Replacement Demand-Response / Rural Route Buses
4. Regional Waste Management Authority Staff Transition – Introduce RWMA Executive Director Scott Scholz

RECOMMENDATION: Information only.

VI. Correspondence / Information

VII. Closed Session

- A. Conference with Real Property Negotiators**

Property: 2100 B Street, Marysville, CA

Agency Negotiator: Keith Martin, Executive Director

Negotiation Parties: Yuba-Sutter Transit Authority and the California Department of Transportation

Under Negotiation: Price and Terms of Payment

VIII. Other Business

IX. Adjournment

**A SPECIAL MEETING IS BEING PROPOSED ON THIS AGENDA FOR A BOARD WORKSHOP
ON THE YUBA-SUTTER NEXTGEN TRANSIT PLAN FOR THURSDAY, JANUARY 12, 2023
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, JANUARY 19, 2023
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

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If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or (TTY) 634-6889 at least 72 hours in advance so such aids or services can be arranged.

AGENDA ITEM II – A
STAFF REPORT

**STATE TRANSPORTATION DEVELOPMENT ACT (TDA)
TRIENNIAL PERFORMANCE AUDIT**

Enclosed as a separate document with the agenda packet is the draft final report for the state-mandated Yuba Sutter Transit Authority Triennial Performance Audit for the three-year period ending June 30, 2021. Performance audits are required by the State Transportation Development Act (TDA) to ensure that all applicable program requirements are being met; to evaluate program performance in key areas; and, to make specific recommendations for future program improvements. The audit was prepared by Michael Baker International on behalf of the Sacramento Area Council of Governments (SACOG). Michael Baker International Project Manager, Derek Wong, will be presenting the key findings and recommendations from the audit at the meeting.

Most significantly, Yuba-Sutter Transit was found to have complied with all currently applicable TDA Operator Compliance Requirements as noted in Table 2-1 of Section II of the report, including the preparation and timely submittal of all required annual financial audits and State Controller Reports. The Performance Audit also concluded that Yuba-Sutter Transit correctly calculates, tracks and reports all required system performance measures and indicators. The auditor also reviewed the implementation status of the three recommendations from the previous audit in Section III noting that one had been implemented while the other two were in the process of being implemented. Section IV includes a review of a host of system performance indicators which were greatly impacted by the COVID-19 pandemic that took hold in middle of the review period. Section V is a comprehensive functional review of the Yuba-Sutter Transit operation during the audit period. As a result of their review, the auditor made four specific recommendations that are summarized at the end of Section VI. These recommendations include continued pursuit of updated marketing plans and strategies; new technology systems for improved data collection and analysis; new mobile fare payment options; and a reduction in the number of preventable accidents.

Staff will be prepared along with Mr. Wong to respond to any questions that the Board may have on the report.

RECOMMENDATION: Information only.

AGENDA ITEM IV – A

**YUBA-SUTTER TRANSIT AUTHORITY
MEETING MINUTES
SEPTEMBER 15, 2022**

I. Call to Order & Roll Call (4:00 P.M.)

Present: Blaser, Buttacavoli, Hudson (Chair), Kirchner (Vice-Chair), and Shaw
Absent: Bains, Fuhrer, Micheli

II. Public Business from the Floor

None.

III. Consent Calendar

Director Kirchner made a motion to approve the consent calendar. Director Shaw seconded the motion and it carried unanimously.

IV. Reports

A. Next Generation Transit Facility project Funding and Schedule Update.

Martin stated that due to the Highway 70 (B Street) project, we originally expected to be displaced from our current facility property by 2025, but recent discussions with Caltrans revealed that they are looking for alternatives to keep us on the site by building a retaining wall on the property line. At this time, we are not sure if and when this will happen, but we would still be significantly impacted for months at a time due to major portions of the bus parking lot along with access around the building being restricted for temporary construction easements which might include help from Caltrans with some early work on our new Avondale property that could benefit the ultimate project. As a result, we are probably not going to be forced off our property in 2025, but Caltrans talking that construction of the retaining wall starting as early as 2023. Martin continued that even if not required to be off the property by 2025, the new facility project is still necessary for the future state-mandated zero-emission bus fleet, and we have already secured significant funding that will expire at some point, so we need to push the project forward to avoid any of that money being lost.

On the funding side, Martin noted that we have secured \$26 million in funding of the estimated \$47.5 million cost of the new facility. We have identified another \$8 million in reasonably available funding including the sale of our current facility. Assuming these funds materialize as planned, we are looking at a current project shortfall of \$12.5 million (27 percent). Significant possible funding sources to bridge this gap include the next round of the federal Buses & Bus Facilities Grant program (Spring 2023) and the state Transit & Intercity Rail Capital Program (Spring 2024) may bridge this gap.

Regarding project design and engineering, our planning consultant WSP did a conceptual design and cost estimate which we still have in place. This design was based on the 2019 level of service which is now being re-evaluated as part of the NextGen Transit Plan. As a result, we do not want to design the new facility until we know the intended fleet size, mix of vehicles, and the services that we are going to operate. That information will be better defined when the transit plan is adopted in the spring of 2023. With Yuba County approval, we believe that we can still move forward with the environmental assessment based on the WSP

design concept. If we can get the environmental process cleared, we will have an advantage when applying for additional funding so, with Board approval, we would like to start the environmental process at the beginning of the year.

Director Kirchner asked if the retaining wall will be in front or back of the facility and if will they be moving the railroad tracks. Martin responded that the retaining wall would be on the back property line as they will be moving the tracks closer to the facility to put new railroad overpasses of Highway 70 both north and south of our property.

Director Hudson asked if Caltrans will help with funding if we need to temporarily move to a new property. Martin stated that we will be talking with Caltrans about this issue as the temporary construction easements will affect about two-thirds of our bus parking spaces.

Director Blaser wants to know if we have done anything on the new property. Martin stated that we have only removed vegetation to improve site visibility and conducted routine fire suppression work. Director Blaser asked if we have put up fencing. Martin responded that we have not installed any fencing.

Martin continued by stating that the City of Marysville has talked to us about putting the existing facility site on their list of potentially available properties, but that he wanted Board input before doing so. He also noted that he has had an informal conversation with another entity that has expressed interest in the property.

Director Buttacavoli stated that in a meeting with Caltrans regarding the current property, it was discussed that B Street is going to be lowered by four to six feet at the entrance to our property so the City of Marysville emphasized that future bus ingress and egress must be protected.

Director Hudson recommended that staff proceed with the environmental study but hold off on the process of making the property available for sale as we do not yet know the ultimate impact of the highway project. It was the consensus direction of the Board to support this recommendation.

B. Draft Feather River Air Quality Management District (FRAQMD) Blue Sky Grant Application for FY 2022/2023.

Martin stated that the Feather River Air Quality Management District (FRAQMD) is now accepting proposals for the current round of Blue Sky Grants. Approximately \$100,000 is available this year which is down from \$125,000 last year and significantly less than the \$250,000 that had previously been allocated. Yuba-Sutter Transit has long submitted grant applications to use these funds for the very successful Discount Monthly Pass Program for youth, seniors, and persons with disabilities. Under this program, regular \$15 discount monthly passes are sold for just \$5 using FRAQMD funds to cover the \$10 in lost fare on each pass. Based on current ridership and discount pass sales allowing for continued growth in the future, staff is currently projecting the sale of 9,600 passes over the 12-month period of April 2023 through March 2024 for a proposed grant request of \$96,000.

Director Shaw made a motion to authorize submittal of a FRAQMD grant application for continuation of the Discount Monthly Bus Pass Program for area youth, seniors, and persons with disabilities as proposed. Director Kirchner seconded the motion and it carried unanimously.

C. Project & Program Updates.

- 1. NextGen Transit Plan (Online Community Survey Now Underway / Community Open House & Board Workshop Set for Thursday October 20th)**

Martin noted that the Next Gen Transit Plan is a top-to-bottom review of our current system in response to the long-term negative ridership trend that began in FY 2016 and continued through the pandemic fueled collapse of 2020 and 2021. While we have experienced some recovery with FY 2022 ridership is up nearly 30 percent over FY 2021, systemwide ridership is still just 50 percent of the pre-pandemic FY 2019 level and only 35 percent of the historic high of 1.3 million passenger boardings in FY 2015.

The purpose of the Next Gen Transit Plan is to reimagine our system over the next five to ten years to best meet the needs of our passengers and the communities we serve within realistic financial constraints. In addition to expected changes in the size, scope and mode of the operation, the plan will also consider the large-scale introduction of state-mandated zero-emission buses and the related development of our new operating facility in Linda.

Much of the work to date has been data collection and processing to assess the state of the current system and where and when people now travel within the Yuba-Sutter area and beyond. To help inform the service alternatives phase of the project, an online customer and community survey has been launched to receive input on what works and what, if improved and expanded, could better connect our community. The availability of the survey is being promoted widely through a variety of platforms, but we are looking for assistance from our member jurisdictions to promote the survey through their networks (website, social media, etc.). The survey will be open at least through October.

The extensive and continuous public outreach process for this project includes two public open houses that have been scheduled for Thursday, October 20th, which is a board meeting date. The first will be from 2:00 – 4:00 pm in these chambers (just prior to the board meeting) and the second will be in the same location that evening from 5:30 – 7:00 pm. During the board meeting at 4:00 pm that afternoon, the project consultant will provide a mid-project report which will include some of the key early findings.

Draft recommendations are expected in early 2023 with Board consideration of the final plan scheduled for April or May so early plan recommendations can be included in the FY 2024 budget.

2. Federal Transit Administration (FTA) Triennial Review Close-Out

Martin stated that while we have yet to receive the official close-out letter, staff expects to get it any day as the required responses to the 2022 Triennial Review have been submitted for FTA review and approval. There were just two deficiency findings this year over the four-year period covered by the review. Much thanks to our staff and our contractor Storer Transit Systems for their hard work both during and prior to the review to keep us in compliance with our federal funding requirements.

3. Regional Waste Management Authority (RWMA) Staff Transition

The RWMA Board of Directors will be interviewing an Executive Director candidate as part of their meeting this afternoon. Assuming a positive outcome, a new Executive Director could be on board in November.

4. FY 2022 Fiscal Audit (Virtual Field Work September 19 - 23)

Martin noted that field work for the annual fiscal audit will be conducted all next week.

5. Annual Sacramento Area Council of Government (SACOG) Unmet Transit Needs Hearings: In Person – Yuba County Government Center, 1:00pm, Monday, October 24th Virtual – 6:00pm, Tuesday, October 25th

Martin announced that as part of their responsibilities under the state Transportation Development Act, SACOG holds a series of public hearings each year to determine if there are unmet transit needs that are reasonable to meet. These hearings have been virtual since 2019, but an in-person hearing will be held this year for all of Yuba and Sutter Counties and the cities therein. This hearing will be held in the Yuba County Government Center at 1:00 pm on Monday, October 24th. To provide options, SACOG will be holding one virtual evening hearing for all of Yuba, Sutter, Sacramento, and Yolo Counties at 6:00 pm on Tuesday, October 25th. Publicity for these hearings will begin shortly.

V. Correspondence/Information

None

VI. Other Business

None

VII. Adjournment

The meeting was adjourned at 4:30 p.m.

THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, OCTOBER 20, 2022 AT 4:00 PM IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS UNLESS OTHERWISE NOTICED.

**AGENDA ITEM IV-B
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF SEPTEMBER 2022**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 6,472.61	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 3,482.50	PERS RETIREMENT	RETIREMENT PAYMENT (EMPLOYER SHARE)
EFT	\$ 600.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 38,749.98	PAYROLL	PAYROLL
EFT	\$ 1,573.75	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 37.12	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION - SEPTEMBER 2022
EFT	\$ 372.96	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 100.00	BRAD HUDSON	BOARD MEETING 9/15/2022
EFT	\$ 100.00	DAVID SHAW	BOARD MEETING 9/15/2022
EFT	\$ 100.00	DON BLASER	BOARD MEETING 9/15/2022
EFT	\$ 100.00	WADE KIRCHNER	BOARD MEETING 9/15/2022
EFT	\$ 6,085.64	PG&E	ELECTRIC 8/12/22 - 9/12/22
EFT	\$ 42.81	PG&E	ELECTRIC PARKING LOT LIGHTS SEPT 2022
EFT	\$ 48.78	PG&E	GAS AUGUST 2022
EFT	\$ 19,098.99	INNOVATE MOBILITY	COA - PROFESSIONAL SERVICES - 7/16/22 - 8/14/22
EFT	\$ 36,127.07	INNOVATE MOBILITY	COA - PROFESSIONAL SERVICES - 8/15/22 - 9/14/22
EFT	\$ 1,321.13	CARDMEMBER SERVICES	CREDIT CARD -SUBSCRIPTIONS, ASSET TAGS, BOUQUET
EFT	\$ 228.38	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 211.02	PRIMEPAY	PAYROLL FEES - AUGUST 2022
EFT	\$ 237.23	ELAVON	MERCHANT SERVICE FEE - SEPTEMBER
18093	\$ (379.37)	COMCAST BUSINESS - CHECK VOIDED	CHECK NOT RECEIVED - REISSUED CHK #18130
18106	\$ 8,414.60	AECOM TECHNICAL SERVICES INC	BUSES & BUS FACILITIES GRANT 12/25/21 - 6/20/22
18106	\$ 50.55	AECOM TECHNICAL SERVICES INC	BUSES & BUS FACILITIES GRANT 7/1/22
18107	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING & WEED CONTROL AUGUST 2022
18108	\$ 78,822.12	CALIFORNIA COMMUNICATIONS	SECURITY VIDEO SURVEILLANCE EQUIP PROJECT
18019	\$ 373.45	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - JULY 2022
18110	\$ 27.89	DAVIS PRINTING & COPYING	LAMINATING 13 POSTERS
18111	\$ 33,998.77	FLYERS ENERGY	BUS FUEL - DYED DIESEL
18112	\$ 35,306.51	HUNT & SONS INC	BUS FUEL - DYED DIESEL
18113	\$ 150.59	LISA O'LEARY	VISION REIMBURSEMENT
18114	\$ 1,100.00	RC JANITORIAL	JANITORIAL SERVICES - AUGUST 2022
18115	\$ 8,797.87	RAMOS OIL COMPANY	BUS FUEL - GAS
18116	\$ 100.00	RICH, FUIDGE, BORDSEN & GALYEAN, INC	LEGAL SERVICES 6/16/2022 - 8/15/2022
18117	\$ 29,941.47	RIVER VALLEY INSURANCE/STIRNAMAN INS	FACILITY INSURANCE RENEWAL 8/28/22 - 8/28/23
18118	\$ 908.65	SC FUELS	DEF FLUID
18119	\$ 224.08	SIGNWORX	DECALS - REFLECTIVE ROUTE NUMBERS & DOTS
18120	\$ 647.23	STAPLES	10 FARGO PRINTER RIBBIONS
18121	\$ 595.92	STORER TRANSIT SYSTEMS	COVID-19 EMPLOYMENT REIMBURSEMENT JULY 2022
18121	\$ 469,584.68	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE 7/22
18122	\$ 450.00	STREAMLINE	WEBSITE SERVICES SEPTEMBER 2022
18123	\$ 1,650.84	T-MOBILE	WIFI SERVICES FOR BUSES AUGUST 2022
18124	\$ 272.79	TIAA COMMERCIAL FINANCE INC	COPIER LEASE - AUGUST 2022
18125	\$ 283.73	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINCE CHARGES - AUGUST 2022
18126	\$ 1,890.00	ALLIANT NETWORKING SERVICES INC	IT SERVICES - OCTOBER 2022
18127	\$ 666.50	APPEAL DEMOCRAT	SPOTLIGHT ADS
18128	\$ 100.00	BRUCE BUTTACAVOLI	BOARD MEETING 9/15/2022
18129	\$ 500.00	CALIFORNIA TRANSIT ASSOCIATION	FALL CONFERENCE & EXPO REGISTRATION - KM
18130	\$ 744.94	COMCAST BUSINESS	TELEPHONE SERVICES - AUG & SEPT 2022
18131	\$ 334.65	COMCAST BUSINESS	INTERNET SERVICES - SEPTEMBER 2022
18132	\$ 1,028.20	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - AUGUST 2022
18133	\$ 16.09	DAVIS PRINTING & COPYING	LAMINATING 9 POSTERS
18134	\$ 189.74	HANCOCK PETROLEUM ENGINEERING	REPAIR OF #1 HOSE
18135	\$ 33,374.94	HUNT & SONS INC	BUS FUEL - DYED DIESEL
18136	\$ 199.00	MAC'S APPLIANCE PARTS & SERVICE INC	REPAIR ON REFRIGERATOR IN OPERATIONS
18137	\$ 1,059.77	QuEST	MAINTENANCE OF BUS STOPS/SHELTERS
18138	\$ 530.21	QUILL CORPORATION	OFFICE AND JANITORIAL SUPPLIES
18139	\$ 3,789.68	RAMOS OIL COMPANY	BUS FUEL - GAS
18140	\$ 600.00	RICH, FUIDGE, BORDSEN & GALYEAN, INC	LEGAL SERVICES 8/16/2022 - 9/15/2022
18141	\$ 1,023.00	ROYAL AIRE INC	AC TUNEUP AND SERVICE
18142	\$ 973.24	SC FUELS	DEF FLUID
18143	\$ 55.00	SHELBY'S PEST CONTROL	PEST CONTROL SERVICES - SEPTEMBER 2022
18144	\$ 159.98	SIMONE REED	VISION REIMBURSEMENT
18145	\$ 565.47	STANLEY SECURITY SOLUTIONS INC	SECURITY SERVICES - OCTOBER 2022
18146	\$ 1,442.08	STORER TRANSIT SYSTEMS	COVID-19 EMPLOYMENT REIMBURSEMENT AUGUST 2022
18146	\$ 30,329.51	STORER TRANSIT SYSTEMS	BUS REPAIR AND TOWING REIMBURSEMENT
18147	\$ 7,483.50	SUTTER BUTTES COMMUNICATIONS INC	SERVICE CHARGES & REPEATER FEE 10/22 - 12/22
18148	\$ 31.80	SUTTER COUNTY LIBRARY	CONNECT CARD SALES COMMISSION - AUG 2022
18149	\$ 5,727.89	TEHAMA TIRE SERVICE INC	TUBES/TIRES
	\$ 879,402.53		

**LAIF
TRANSFERS**

9/6/2022 \$ (200,000.00) FROM LAIF TO CHECKING

**AGENDA ITEM IV-C
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF OCTOBER 2022**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 6,472.61	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 3,482.50	PERS RETIREMENT	RETIREMENT PAYMENT (EMPLOYER SHARE)
EFT	\$ 600.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 38,749.98	PAYROLL	PAYROLL
EFT	\$ 1,573.75	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 524.00	CALIFORNIA DEPT OF TAX & FEE ADMIN	FUEL TAX JULY - SEPT 2022
EFT	\$ 400.00	FRANCOTYP-POSTALIA, INC	POSTAGE RESET 10/5/2022
EFT	\$ 400.00	FRANCOTYP-POSTALIA, INC	POSTAGE RESET 10/28/2022
EFT	\$ 37.12	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION - OCTOBER 2022
EFT	\$ 339.12	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 4,330.90	PG&E	ELECTRIC 9/13/22 - 10/11/22
EFT	\$ 48.78	PG&E	GAS SEPT 2022
EFT	\$ 32,982.74	INNOVATE MOBILITY	COA - PROFESSIONAL SERVICES - 9/15/22 - 10/15/22
EFT	\$ 326.20	CARDMEMBER SERVICES	CREDIT CARD -SUBSCRIPTIONS & BATTERIES
EFT	\$ 228.38	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 198.72	PRIMEPAY	PAYROLL FEES - SEPTEMBER 2022
EFT	\$ 190.93	ELAVON	MERCHANT SERVICE FEE - OCTOBER
18150	\$ 1,149.45	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - SEPTEMBER 2022
18151	\$ 578.35	FRAQMD	ANNUAL GENERATOR PERMIT RENEWAL
18152	\$ 33,231.76	INTERSTATE OIL COMPANY	BUS FUEL - DYED DIESEL
18153	\$ 1,100.00	RC JANITORIAL	JANITORIAL SERVICES - SEPTEMBER 2022
18154	\$ 8,610.01	RAMOS OIL COMPANY	BUS FUEL - GAS
18155	\$ 694.74	SC FUELS	DEF FLUID
18156	\$ 565.47	STANLEY SECURITY SOLUTIONS INC	SECURITY SERVICES - NOVEMBER 2022
18157	\$ 423.54	STAPLES CREDIT PLAN	JANITORIAL & OFFICES SUPPLIES
18158	\$ 494,081.88	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE 8/22
18159	\$ 450.00	STREAMLINE	WEBSITE SERVICES - OCTOBER 2022
18160	\$ 35.55	SUTTER COUNTY LIBRARY	CONNECT CARD SALES COMMISSION - SEP 2022
18161	\$ 1,650.84	T-MOBILE	WIFI SERVICES FOR BUSES - SEPTEMBER 2022
18162	\$ 9,518.72	TEHAMA TIRE SERVICE INC	TUBES/TIRES
18163	\$ 330.89	TIAA COMMERCIAL FINANCE INC	COPIER LEASE - SEPTEMBER 2022
18164	\$ 3,300.00	A-Z BUS SALES	INSTALL CAT CLAMPS ON 6 DR BUSES
18165	\$ 444.45	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINE CHARGES - SEPTEMBER 2022
18166	\$ 24,242.16	AECOM TECHNICAL SERVICES INC	RAISE GRANT - PROFESSIONAL SERVICES 3/22 - 7/22
18167	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING & WEED CONTROL SEPTEMBER 2022
18168	\$ 1,860.00	ALLIANT NETWORKING SERVICES, INC	IT SERVICES - NOVEMBER 2022
18169	\$ 375.70	COMCAST BUSINESS	TELEPHONE SERVICES - OCTOBER 2022
18170	\$ 334.30	COMCAST BUSINESS	INTERNET SERVICES - OCTOBER 2022
18171	\$ 616.77	HOTSY OF CALIFORNIA	WASH BAY PRESSURE WASHER REPAIR
18172	\$ 37,249.89	INTERSTATE OIL COMPANY	BUS FUEL - DYED DIESEL
18173	\$ 1,059.77	QuEST	MAINTENANCE OF BUS STOPS/SHELTERS
18174	\$ 173.16	QUILL CORPORATION	JANITORIAL SUPPLIES - PAPER TOWELS
18175	\$ 4,204.01	RAMOS OIL COMPANY	BUS FUEL - GAS
18176	\$ 130.00	RICH, FUIDGE, BORDSEN & GALYEAN, INC	LEGAL SERVICES 9/16/222 - 10/15/22
18177	\$ 900.00	SAWYER'S HANDYMAN SERVICES	REPAIRS AT BUS STOPS & INSTALL BIKE LOCKERS
18178	\$ 911.47	SC FUELS	DEF FLUID
18179	\$ 55.00	SHELBY'S PEST CONTROL	PEST CONTROL SERVICES - OCTOBER 2022
18180	\$ 544.75	STATE COMPENSATION INSURANCE FUND	PREMIUM POLICY 10/1/22 - 1/1/23
18181	\$ 1,784.16	STORER TRANSIT SYSTEMS	COVID-19 EMPLOYMENT PROTECTION REIMB 9/22
18182	\$ 7,484.03	TEHAMA TIRE SERVICE INC	TUBES/TIRES
18183	\$ 166.03	THRIFTY ROOTER	REPAIR OF URINAL IN OPERATIONS MEN'S RESTROOM
	\$ 729,317.58		

**LAIF
TRANSFERS**

10/5/2022 \$ 300,000.00 TRANSFER FROM LAIF TO CHECKING

**AGENDA ITEM IV-D
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF NOVEMBER 2022**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 6,472.61	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 3,482.50	PERS RETIREMENT	RETIREMENT PAYMENT (EMPLOYER SHARE)
EFT	\$ 600.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 38,749.98	PAYROLL	PAYROLL
EFT	\$ 1,573.75	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 37.12	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION - NOVEMBER 2022
EFT	\$ 334.90	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 3,887.89	PG&E	ELECTRIC 10/12/22 - 11/09/22
EFT	\$ 3.31	PG&E	ELECTRIC PARKING LOT LIGHTS NOV 2022
EFT	\$ 62.63	PG&E	GAS OCT 2022
EFT	\$ 23,285.40	INNOVATE MOBILITY	COA - PROFESSIONAL SERVICES - 10/16/22 - 11/15/22
EFT	\$ 100.00	DON BLASER	COMMITTEE MEETING 10/20/2022
EFT	\$ 100.00	SETH FUHRER	COMMITTEE MEETING 10/20/2022
EFT	\$ 100.00	WADE KIRCHNER	COMMITTEE MEETING 10/20/2022
EFT	\$ 57.96	CARDMEMBER SERVICES	CREDIT CARD -SUBSCRIPTIONS
EFT	\$ 228.38	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 198.72	PRIMEPAY	PAYROLL FEES - OCTOBER 2022
EFT	\$ 108.23	ELAVON	MERCHANT SERVICE FEE - NOVEMBER
18184	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING & WEED CONTROL OCTOBER 2022
18185	\$ 1,219.29	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - OCTOBER 2022
18186	\$ 178.12	FRANCOTYP-POSTALIA, INC	POSTAGE RENTAL 10/13/22 - 1/12/23
18187	\$ 320.14	HANCOCK PETROLEUM ENGINEERING	REPLACED FILTERS ON #1 & #2 / REPLACED SWIVEL #4
18188	\$ 31,709.29	HUNT & SONS INC	BUS FUEL - DYED DIESEL
18189	\$ 399.33	QUILL CORPORATION	JANITORIAL SUPPLIES - PAPER TOWELS, TOILET PAPER
18190	\$ 1,100.00	RC JANITORIAL	JANITORIAL SERVICES - OCTOBER 2022
18191	\$ 8,950.37	RAMOS OIL COMPANY	BUS FUEL - GAS
18192	\$ 3,741.90	RECLAMATION DISTRICT 784	AVONDALE SITE LEVEE & DRAINAGE ASSESSMENT - 2022
18193	\$ 7,884.00	REI	AVL SYSTEM ANNUAL RENEWAL FEE 1/1/23 - 12/31/23
18194	\$ 624.44	SAWYER'S HANDYMAN SERVICES	REPLACE 5 POLES AT BUS STOPS
18195	\$ 876.63	SC FUELS	DEF FLUID
18196	\$ 129.88	STAPLES CREDIT PLAN	JANITORIAL SUPPLIES - PAPER TOWELS
18197	\$ 473,731.09	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE 9/22
18198	\$ 450.00	STREAMLINE	WEBSITE SERVICES - NOVEMBER 2022
18199	\$ 100.00	STUART GILCHRIST	COMMITTEE MEETING 10/20/2022
18200	\$ 37.71	SUTTER COUNTY LIBRARY	CONNECT CARD SALES COMMISSION - OCT 2022
18201	\$ 1,672.20	T-MOBILE	WIFI SERVICE FOR BUSES - OCTOBER 2022
18202	\$ 850.00	TECHNOLOGY UNLIMITED	ANNUAL SERVICE AGREEMENT - COIN COUNTER
18203	\$ 7,436.08	TEHAMA TIRE SERVICE INC	TUBES/TIRES
18204	\$ 272.79	TIAA COMMERCIAL FINANCE INC	COPIER LEASE - OCTOBER 2022
18205	\$ 3,587.02	YUBA COUNTY TAX COLLECTOR	AVONDALE SITE RD 784 LEVEE ASSESSMENT - 2021
18206	\$ 800.00	CALIFORNIA HIGHWAY PATROL	2022 GPPV INSPECTIONS
18207	\$ 389.76	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINE CHARGES - OCTOBER 2022
18208	\$ 1,890.00	ALLIANT NETWORKING SERVICES INC	IT SERVICES - DECEMBER 2022
18209	\$ 307.06	CALIFORNIA COMMUNICATIONS	RESET GATE SYSTEM AT FACILITY
18210	\$ 334.30	COMCAST BUSINESS	INTERNET SERVICE - NOVEMBER 2022
18211	\$ 189.74	HANCOCK PETROLEUM ENGINEERING	REPLACE SWIVEL ON DISPENSER #3
18212	\$ 34,090.16	INTERSTATE OIL COMPANY	BUS FUEL - DYED DIESEL
18213	\$ 1,663.26	PREMIER PRINT & MAIL	1000 #10 ENVELOPES & 5000 NEWSLETTER MASTHEAD
18214	\$ 1,059.70	QuEST	MAINTENANCE OF BUS STOPS/SHELTERS
18215	\$ 4,886.92	RAMOS OIL COMPANY	BUS FUEL - GAS
18216	\$ 917.82	SC FUELS	DEF FLUID
18217	\$ 55.00	SHELBY'S PEST CONTROL	PEST CONTROL SERVICE - NOVEMBER 2022
18218	\$ 565.47	STANLEY SECURITY SOLUTIONS INC	SECURITY SERVICES - DECEMBER 2022
18219	\$ 15,393.25	STORER TRANSIT SYSTEMS	SPECIAL EVENT SHUTTLING - SIKH FESTIVAL
18220	\$ 4,637.06	TEHAMA TIRE SERVICE INC	TUBES/TIRES
18221	\$ 135.00	THRYV	YELLOW PAGES - ADVERTISING
18222	\$ 8,650.26	STORER TRANSIT SYSTEMS	RESTITUTION REIMBURSEMENT - CRTR20-02763
	\$ 700,793.42		

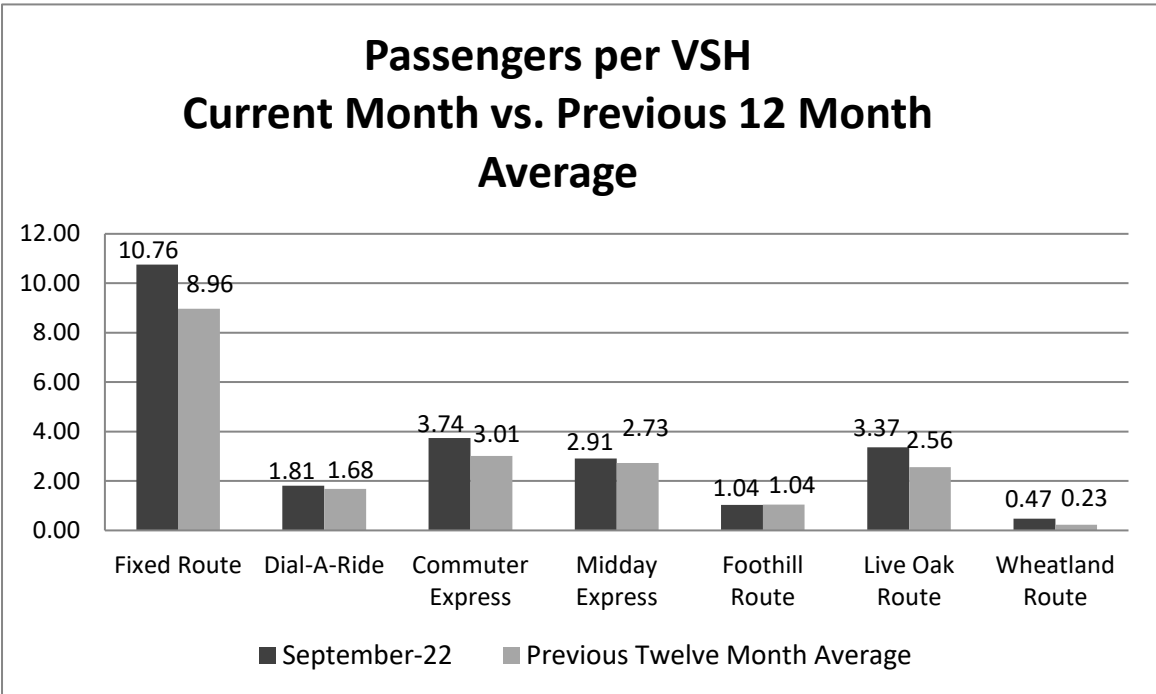
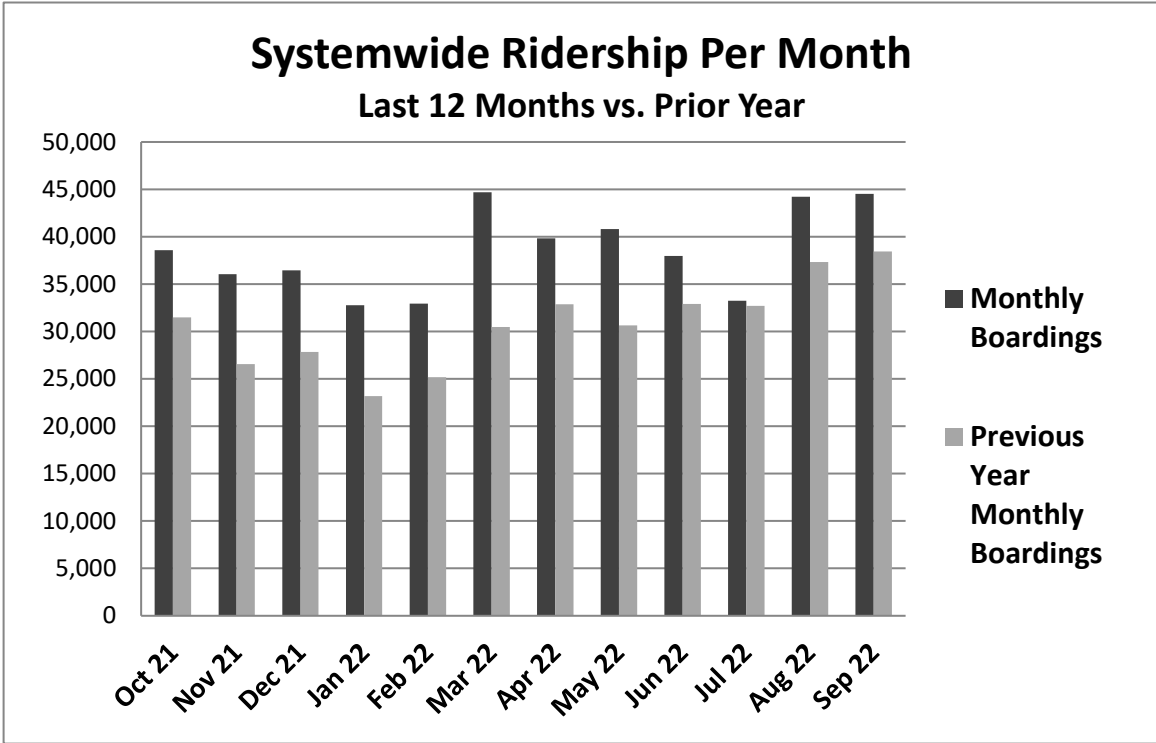
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AGENDA ITEM IV- E

SEPTEMBER 2022 PERFORMANCE REPORT

	September-22	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Ridership:				
Fixed Route	38,634	32,663	103,798	92,316
Dial-A-Ride	2,279	2,432	7,519	6,970
Commuter Express	2,775	2,184	8,186	5,306
Midday Express	484	429	1,342	1,212
Foothill Route	90	90	347	168
Live Oak Route	244	193	757	496
Wheatland Route	22	10	40	34
Oroville Route	0	0	0	1,971
Total Ridership:	44,528	38,000	121,989	108,473
Vehicle Service Hours:				
Fixed Route	3,592.14	3,643.85	11,027.11	11,046.26
Dial-A-Ride	1,255.76	1,449.53	3,944.68	4,272.27
Commuter Express	742.71	725.64	2,222.55	2,189.61
Midday Express	166.44	157.16	489.34	469.06
Foothill Route	86.73	85.94	256.99	261.49
Live Oak Route	72.48	75.56	230.99	215.60
Wheatland Route	46.48	44.94	139.10	128.49
Oroville Route	0.00	0.00	0.00	644.72
Total VSH's:	5,962.74	6,182.62	18,310.76	19,227.50
Passengers Per Hour:				
Fixed Route	10.76	8.96	9.41	8.36
Dial-A-Ride	1.81	1.68	1.91	1.63
Commuter Express	3.74	3.01	3.68	2.42
Midday Express	2.91	2.73	2.74	2.58
Foothill Route	1.04	1.04	1.35	0.64
Live Oak Route	3.37	2.56	3.28	2.30
Wheatland Route	0.47	0.23	0.29	0.26
Oroville Route	0.00	0.00	0.00	3.06
Total Passengers Per VSH:	7.47	6.15	6.66	5.64

SEPTEMBER 2022 PERFORMANCE REPORT

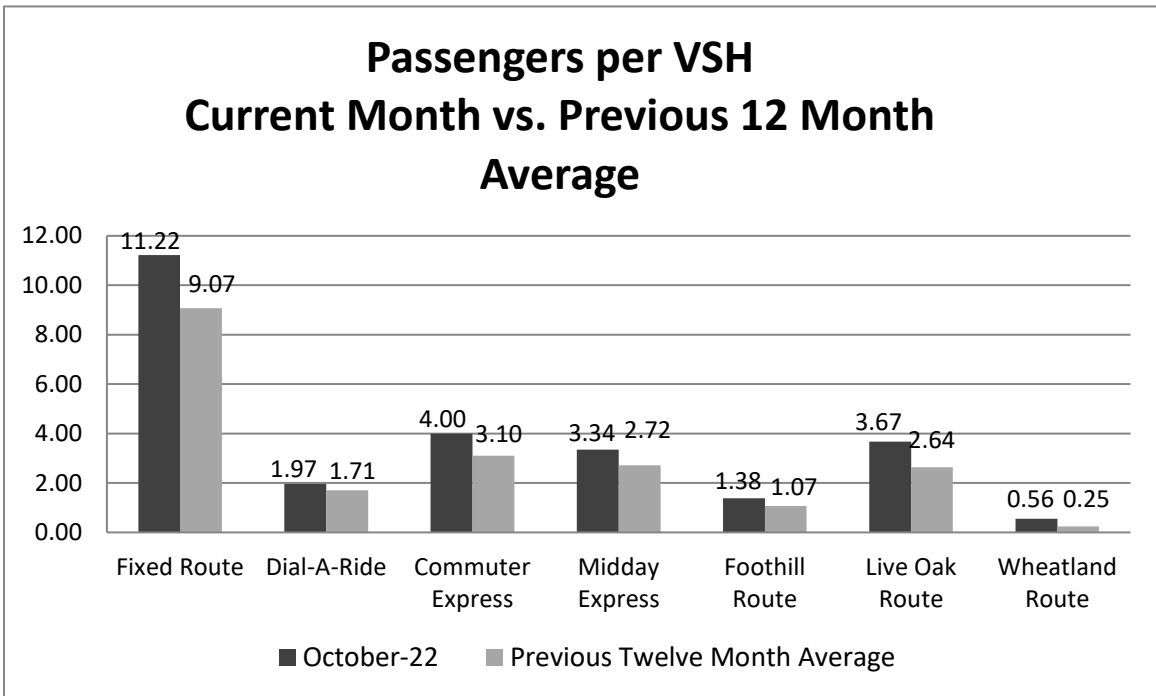
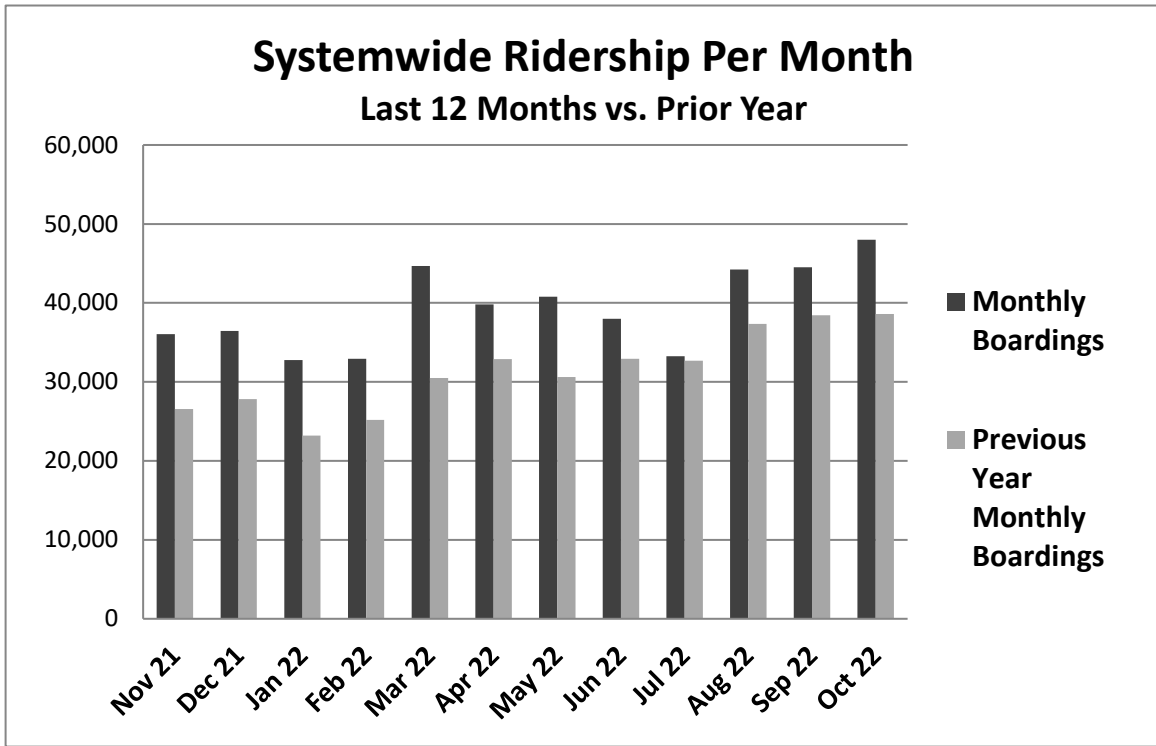


AGENDA ITEM IV- F

OCTOBER 2022 PERFORMANCE REPORT

	October-22	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Ridership:				
Fixed Route	41,695	33,066	145,493	125,934
Dial-A-Ride	2,412	2,454	9,931	9,304
Commuter Express	2,930	2,257	11,116	7,262
Midday Express	534	428	1,876	1,664
Foothill Route	113	91	460	225
Live Oak Route	272	199	1,029	648
Wheatland Route	31	11	71	46
Oroville Route	0	0	0	1,971
Total Ridership:	47,987	38,507	169,976	147,054
Vehicle Service Hours:				
Fixed Route	3,715.10	3,643.91	14,742.21	14,748.68
Dial-A-Ride	1,224.15	1,436.20	5,168.83	5,766.89
Commuter Express	732.29	727.40	2,954.84	2,930.61
Midday Express	159.68	157.65	649.02	628.92
Foothill Route	81.75	85.67	338.74	336.84
Live Oak Route	74.12	75.59	305.11	288.79
Wheatland Route	55.67	45.02	194.77	178.77
Oroville Route	0.00	0.00	0.00	644.72
Total VSH's:	6,042.76	6,171.44	24,353.52	25,524.22
Passengers Per Hour:				
Fixed Route	11.22	9.07	9.87	8.54
Dial-A-Ride	1.97	1.71	1.92	1.61
Commuter Express	4.00	3.10	3.76	2.48
Midday Express	3.34	2.72	2.89	2.65
Foothill Route	1.38	1.07	1.36	0.67
Live Oak Route	3.67	2.64	3.37	2.24
Wheatland Route	0.56	0.25	0.36	0.26
Oroville Route	0.00	0.00	0.00	3.06
Total Passengers Per VSH:	7.94	6.24	6.98	5.76

OCTOBER 2022 PERFORMANCE REPORT

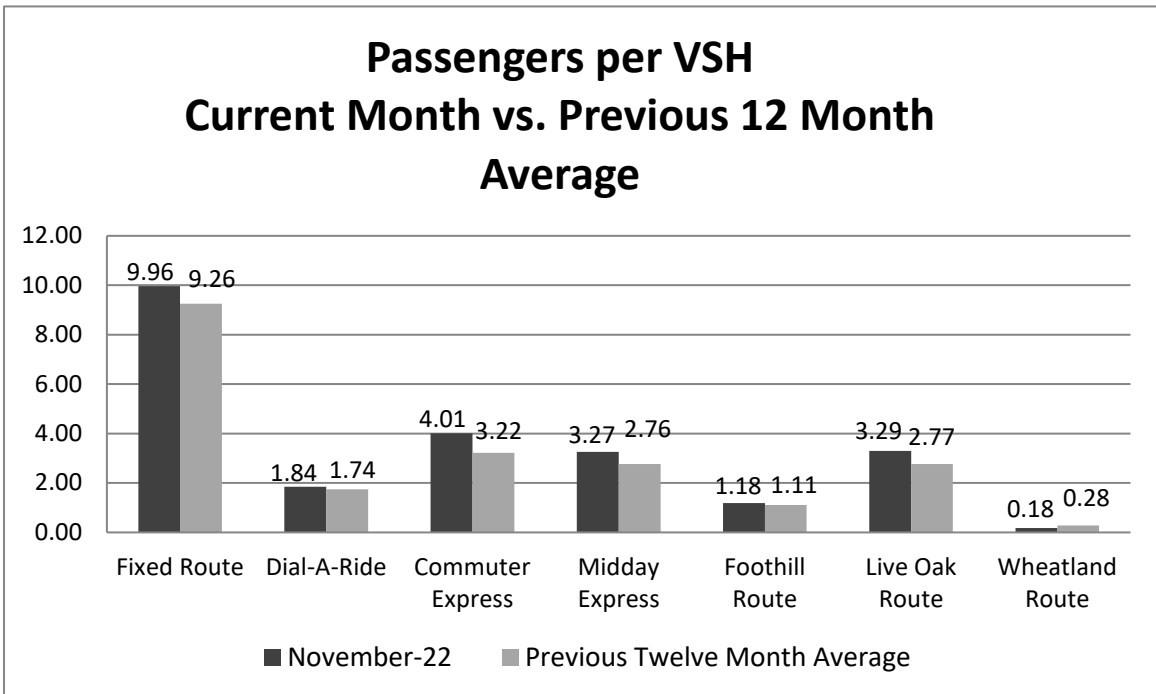
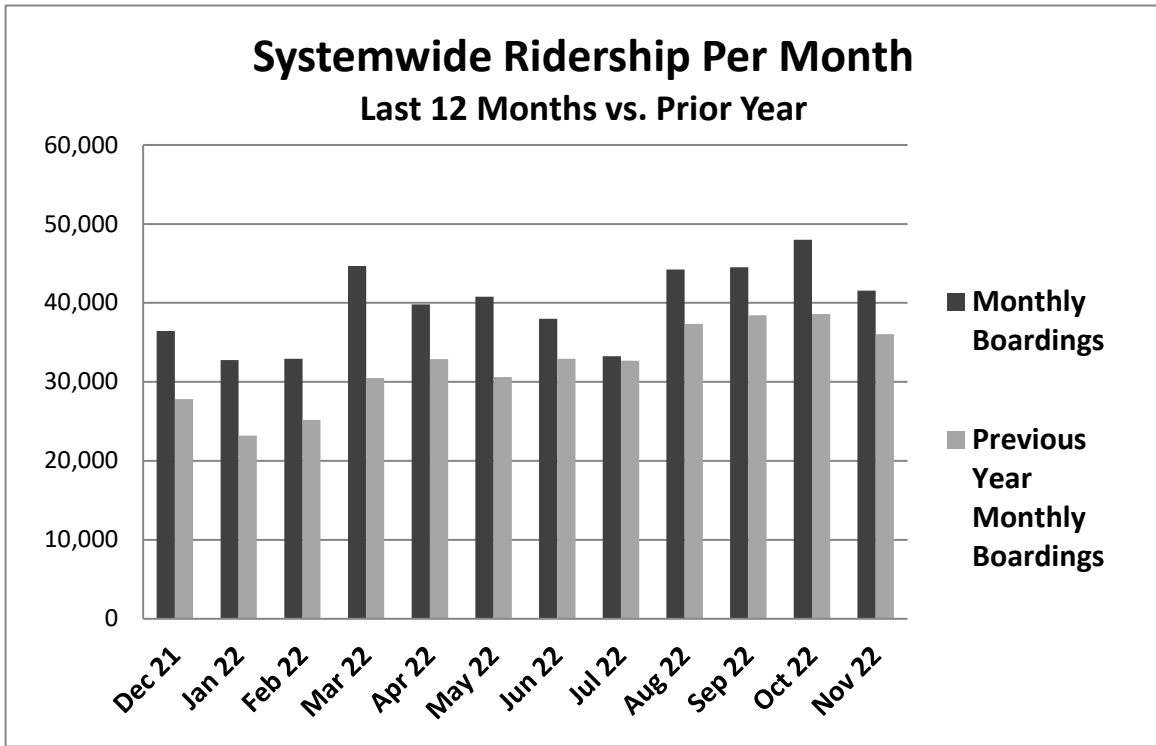


AGENDA ITEM IV- G

NOVEMBER 2022 PERFORMANCE REPORT

Ridership:	November-22	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Fixed Route	35,870	33,739	181,363	157,336
Dial-A-Ride	2,219	2,460	12,150	11,578
Commuter Express	2,638	2,338	13,754	9,029
Midday Express	494	435	2,370	2,083
Foothill Route	100	96	560	294
Live Oak Route	239	209	1,268	756
Wheatland Route	9	13	80	60
Oroville Route	0	0	0	38,024
Total Ridership:	41,569	39,291	211,545	219,160
Vehicle Service Hours:				
Fixed Route	3,600.03	3,644.96	18,342.24	18,340.39
Dial-A-Ride	1,204.17	1,413.66	6,373.00	7,206.83
Commuter Express	657.38	726.68	3,612.22	3,599.73
Midday Express	151.28	157.64	800.30	774.01
Foothill Route	84.57	86.20	423.31	416.02
Live Oak Route	72.55	75.67	377.66	359.57
Wheatland Route	51.33	45.47	246.10	222.69
Oroville Route	0.00	0.00	0.00	644.72
Total VSH's:	5,821.31	6,150.27	30,174.83	31,563.96
Passengers Per Hour:				
Fixed Route	9.96	9.26	9.89	8.58
Dial-A-Ride	1.84	1.74	1.91	1.61
Commuter Express	4.01	3.22	3.81	2.51
Midday Express	3.27	2.76	2.96	2.69
Foothill Route	1.18	1.11	1.32	0.71
Live Oak Route	3.29	2.77	3.36	2.10
Wheatland Route	0.18	0.28	0.33	0.27
Oroville Route	0.00	0.00	0.00	58.98
Total Passengers Per VSH:	7.14	6.39	7.01	6.94

NOVEMBER 2022 PERFORMANCE REPORT



AGENDA ITEM IV – H
STAFF REPORT

PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) AMENDMENT

The Federal Transportation Administration (FTA) requires all public transit agencies that receive certain federal funding to create, approve and implement their own Agency Safety Plan. The plan must be reviewed and certified each year and any updates or amendments are to be incorporated into the ASP during the annual review or more frequently if necessary. Yuba-Sutter Transit last adopted an updated Agency Safety Plan in May 2022, but the recent Bipartisan Infrastructure Law, codified in 49 U.S.C. 5329(d), added additional PTASP requirements that must be incorporated into the plan by December 31, 2022.

To fully comply with the new requirements, following are the key items that were added or revised in the attached draft of the updated Yuba-Sutter Transit Agency Safety Plan:

- Strategies to minimize exposure of the public and transit personnel to hazards, unsafe conditions or minimize exposure to infectious diseases.
- Information regarding passenger management, conflict resolution and de-escalation training.
- Methods to reduce the occurrence of accidents including defensive driving training.

Staff will be prepared at the meeting to discuss the revised plan and process elements in detail.

RECOMMENDATION: Adopt the Agency Safety Plan as proposed.

Attachment



Agency Safety Plan

Yuba-Sutter Transit Authority

2100 B Street

Marysville, CA 95901

Approved by Board of Directors

November 19, 2020

Annual Review/Approval Completed for Implementation

May 19, 2022

Updated

December 15, 2022

Signature of Accountable Executive

Keith Martin, Executive Director

Date

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Definitions

Accident means an Event that involves any of the following: a loss of life; a report of a serious injury to a person; a collision of public transportation vehicles; an evacuation for life safety reasons.

Accountable Executive means the single, identifiable person who has ultimate responsibility for carrying out the Public Transportation Agency Safety Plan of the Agency. The Account Executive also has responsibility for carrying out the Agency's Transit Asset Management Plan and control or direction over the human and capital resources needed to develop and maintain both the Agency's Public Transportation Agency Safety Plan (PTASP), in accordance with 49 U.S.C. § 5329(d), and the Agency's Transit Asset Management Plan (TAM) in accordance with 49 U.S.C. § 5326.

Agency or Transit Agency means the Yuba-Sutter Transit Authority or Yuba-Sutter Transit.

Board of Directors means governing body of the Yuba-Sutter Transit Authority.

Caltrans means the California Department of Transportation.

Chief Safety Officer means the adequately trained individual who has responsibility for safety and reports directly to the Transit Agency's chief executive officer.

CFR means Code of Federal Regulations.

Event means any Accident, Incident, or Occurrence.

FTA means the Federal Transit Administration, an operating administration within the United States Department of Transportation.

Hazard means any real or potential condition that can cause injury, illness, or death, damage to or loss of the facilities, equipment, rolling stock, or infrastructure of the system, or damage to the environment.

Incident means an Event that involves any of the following: a personal injury that is not a serious injury, one or more injuries requiring medical transport, or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of the Transit Agency.

Investigation means the process of determining the causal and contributing factors of an accident, incident, or hazard, for the purpose of preventing recurrence and mitigating risk.

National Public Transportation Safety Plan means the plan to improve the safety of all public transportation systems that receive federal financial assistance under 49 U.S.C. Chapter 53.

Occurrence means an Event without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of the Transit Agency.

Part 673 means 49 CFR (Code of Federal Regulations) Part 673.

Performance Measure means an expression based on a quantifiable indicator of performance or condition used to establish targets and to assess progress toward meeting the established targets.

Performance target means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a period of time required by the Federal Transit Administration (FTA).

Risk means the composite of predicted severity and likelihood of the potential effect of a hazard.

Risk mitigation means a method or methods to eliminate or reduce the effects of hazards.

Safety Assurance means processes within the Transit Agency's Safety Management Systems that function to ensure the implementation and effectiveness of safety risk mitigation, and to ensure that the Transit Agency meets or exceeds its safety objectives through the collection, analysis, and assessment of information.

Safety Management Policy means the Transit Agency's documented commitment to safety, which defines the Transit Agency's safety objectives and the accountabilities and responsibilities of its employees in regard to safety.

Safety Management Systems (SMS) means the formal, top-down, organization-wide approach to managing safety risk and assuring the effectiveness of a Transit Agency's safety risk mitigation. SMS includes systematic procedures, practices, and policies for managing risks and hazards.

Safety Performance Target (SPT) means a Performance Target related to safety management activities.

Safety Promotion means a combination of training and communication of safety information to support SMS as applied to the Transit Agency's public transportation system.

Safety Risk Assessment (SRA) means the formal activity whereby the Transit Agency determines Safety Risk Management priorities by establishing the significance or value of its safety risks.

Safety Risk Management (SRM) means a process within the Transit Agency's Public Transportation Agency Safety Plan for identifying hazards and analyzing, assessing, and mitigating safety risk.

Serious injury means any injury which: (1) requires hospitalization for more than 48 hours, commencing within seven days from the date the injury was received, (2) results in a fracture of any bone (except simple fractures of fingers, toes, or noses), (3) causes severe hemorrhages, nerve, muscle, or tendon damage; (4) involves any internal organ, or (5) involves second or third-degree burns, or any burns affecting more than five percent of the body surface.

State of Good Repair (SGR) means the condition in which a capital asset is able to operate at a full level of performance.

Transit Asset Management Plan means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation, as required by 49 U.S.C. 5326 and 49 CFR part 625.

U.S.C. means United States Code.

Section 1: Transit Agency Information

Yuba-Sutter Transit is a joint powers agency for the provision of public transportation. The Agency formed in 1975 by an agreement between Yuba County, Sutter County, the City of Marysville, and the City of Yuba City under the authority of the Joint Exercise of Powers Act (Section 6500 et seq. of the California Government Code). The Agency operates fixed route and demand response services in designated areas of Yuba and Sutter Counties. The Agency also operates a commuter service between these counties and downtown Sacramento. Yuba-Sutter Transit purchases transportation services from a designated contractor (currently Storer Transit Systems of Modesto, CA). Yuba-Sutter Transit is a direct recipient of Section 5307, Section 5310, and Section 5311 funds. Yuba-Sutter Transit provides transportation services on behalf of the cities of Live Oak and Wheatland.

Subsection 1.1: Accountable Executive

Yuba-Sutter Transit's Accountable Executive is the Executive Director. The Executive Director is the single, identifiable person who has ultimate responsibility for carrying out this Agency Safety Plan, Yuba-Sutter Transit's Transit Asset Management (TAM) Plan. They provide control or direction over the human and capital resources needed to develop and maintain both this Plan and the TAM Plan.

The Executive Director is accountable for ensuring that the Agency's Safety Management Systems (SMS) are effectively implemented throughout the Agency's public transportation system. The Executive Director is accountable for ensuring action is taken, as necessary, to address substandard performance in the Agency's SMS. The Executive Director may delegate specific responsibilities, but the ultimate accountability for the Transit Agency's safety performance cannot be delegated and always rests with the Executive Director.

Subsection 1.2: Chief Safety Officer

The Executive Director designates the General Manager of its contracting agency for operations as Yuba-Sutter Transit's Chief Safety Officer who has the authority and responsibility for day-to-day implementation and operation of the Agency's SMS. The Chief Safety Officer holds a direct line of reporting to the Accountable Executive, as shown in the organization charts in Attachment 1.1 and 1.2 and has a strong working relationship with the operations and asset management functions at Yuba-Sutter Transit.

Section 2: Plan Development, Approval, and Updates

Caltrans developed the contents of Yuba-Sutter Transit's Agency Safety Plan (ASP) to meet requirements specified in 49 CFR Part 673 and comply with Part 673.11(d) regarding Caltrans' responsibility to develop an ASP for any small public transportation provider that is located in California. This Plan is based on the four (4) principles or pillars of the Safety Management Systems (SMS). SMS is defined as the formal, top-down, organization-wide, data-driven approach to managing safety risk and assuring the effectiveness of safety mitigations. It includes systematic policies, procedures, and practices for the management of safety risk. The four principles or pillars of SMS are: (1) Safety Management Policy; (2) Safety Risk Management; (3) Safety Assurance; and (4) Safety Promotion.

Subsection 2.1: Drafting the Plan

Caltrans drafted this Plan, thus meeting the requirements of 49 CFR Part 673.11(d). FTA will oversee compliance with the requirements of Part 673 through the existing Triennial Review processes.

Should Yuba-Sutter Transit no longer meet the definition of a small public transportation provider or choose to opt-out of the Caltrans Agency Safety Plan, and within one year from the date of notifying the State of either development, Yuba-Sutter Transit will draft and certify its own Agency Safety Plan. If Yuba-Sutter Transit operates more than 100 vehicles, Yuba-Sutter Transit must fulfil requirements of systems operating more than 100 vehicles.

Subsection 2.2: Signature by the Accountable Executive and Approval by the Board

Pursuant to 49 CFR Part 673.11 (a)(1), this Agency Safety Plan and subsequent updates must be signed by the Accountable Executive and approved by Yuba-Sutter Transit's Board. Documentation of Board approval is found in Attachment 2.

Subsection 2.3: Certification of Compliance

Pursuant to 49 CFR Parts 673.13(a) and 673.13(b), Caltrans certifies that it has established this Agency Safety Plan, meeting the requirements of 49 CFR Part 673 by July 20, 2020 and will certify its compliance with 49 CFR Part 673.

After Caltrans initial certification, and on an annual basis, Yuba-Sutter Transit must update this Agency Safety Plan by July 20 in perpetuity. All Agency Safety Plan updates shall be signed by the Accountable Executive and approved by Yuba-Sutter Transit's Board.

The FTA does not require this plan to be submitted to the FTA. Instead, Caltrans will certify that it has established this Safety Plan, which fulfills the requirements under Part 673. FTA annually amends and issues the list of Certifications and Assurances.

Caltrans will review such guidance for incorporation into the safety program as necessary.

Subsection 2.4: Plan Review and Updates

Yuba-Sutter Transit updates this Safety Plan when information, processes or activities change within the Agency and/or when Part 673 undergoes significant changes, or annually, whichever comes sooner. As Yuba-Sutter Transit collects data through its Safety Risk Management and Safety Assurance processes and shares it with Caltrans and the local Metropolitan Planning Organization (MPO) as described in subsection 3.1 below, the MPO and Caltrans will evaluate Yuba-Sutter Transit's safety performance targets (SPTs) to determine whether they need to be changed, as well.

Each April, this Plan will be jointly reviewed and updated by the Chief Safety Officer, Executive Director, and applicable support staff including frontline employee representatives, with the assistance of subject matter experts. The Accountable Executive will approve any changes then forward the Plan to the Board of Directors at their May regular meeting for approval each year.

This Plan may need to be reviewed and updated more frequently based on the following:

- We determine our approach to mitigating safety deficiencies is ineffective.
- We make significant changes to service delivery.
- We introduce new processes or procedures that may impact safety.
- We change or re-prioritize resources available to support SMS.
- We significantly change our organizational structure.

Section 3: Safety Performance Targets (SPTs)

Subsection 3.1: Target Development

Yuba-Sutter Transit includes SPTs in this Safety Plan. These targets are specific numerical targets set by Yuba-Sutter Transit and based on the safety Performance Measures established by FTA in the National Public Transportation Safety Plan. In the most recent version, the 2017 NSP3, FTA adopted four initial safety Performance Measures: (1) Fatalities, (2) Injuries, (3) Safety Events, and (4) System Reliability.

Yuba-Sutter Transit developed safety performance targets that it will review and update annually. The specific safety performance targets are based on the safety performance measures established under the National Public Transportation Safety Plan and the safety performance goals set by Caltrans based on the past three (3) calendar years of data. The Safety Performance Targets for Yuba-Sutter Transit for the year 2022 are expected to stay within 1% +/- of the previous three years of data pertaining to fatalities, injuries, safety events, and system reliability.

Note: Baseline data for each target will need to be provided by each agency for Caltrans to develop goals.

FTA requires Caltrans to coordinate with Yuba-Sutter Transit and the Sacramento Area Council of Governments (SACOG) to the maximum extent practicable. Pursuant to 49 CFR Part 673.15(a), Yuba-Sutter Transit will make safety performance targets available to SACOG to aid in the planning process upon certification of this plan. Additionally, Yuba-Sutter Transit will transmit performance data against the safety performance targets to Caltrans and SACOG on an annual basis.

Caltrans will conduct coordination meetings with SACOG for the selection of State and MPO safety performance targets and goals.

Mode of Transit Service	Fatalities	Injuries	Safety Events	System Reliability
Fixed Route Integer Target	0	2	0	23,953 (VRMs between incidents)
Fixed Route Target per Vehicle Revenue Mile (VRM)	0	0.22	0	
Demand Response Integer Target	0	0	0	7,493 (VRMs between incidents)
Demand Response Target per Vehicle Revenue Mile	0	0	0	

Section 4: Overview of the Agency’s Safety Management Systems (SMS)

SMS is a comprehensive, collaborative approach that brings management and labor together to build on the transit industry’s existing safety foundation to control risk better, detect and correct safety problems earlier, share and analyze safety data more effectively, and measure safety performance more carefully. Yuba-Sutter Transit’s SMS focuses on applying resources to risk and is based on ensuring that Yuba-Sutter Transit has the organizational infrastructure to support decision-making at all levels regarding the assignment of resources.

Some key parts of Yuba-Sutter Transit’s SMS include:

- Defined roles and responsibilities,
- Strong executive safety leadership,
- Formal safety accountabilities and communication,
- Effective policies and procedures, and
- Active employee involvement.

Furthermore, Yuba-Sutter Transit's SMS has the following four distinct components, which it discusses in subsequent sections of this Safety Plan:

- Safety Policy
- Safety Risk Management
- Safety Assurance
- Safety Promotion

Section 5: Safety Management Policy

The first component of the Yuba-Sutter Transit's SMS is the Safety Management Policy, which is the foundation of the Yuba-Sutter Transit's safety management system. It clearly states the organization's safety objectives and sets forth the policies, procedures, and organizational structures necessary to accomplish the safety objectives. The Safety Management Policy clearly defines management and employee responsibilities for safety throughout the organization. It also ensures that management is actively engaged in the oversight of the system's safety performance by requiring regular review of the Safety Management Policy, budget, and program by the designated Accountable Executive.

Subsection 5.1: Safety Management Policy Statement

Safety is a core value at Yuba-Sutter Transit, and managing safety is a core business function. Yuba-Sutter Transit will develop, implement, maintain, and continuously improve processes to ensure the safety of our customers, employees, and the public. Yuba-Sutter Transit's overall safety objective is proactive management of safety hazards and their associated safety risk, with the intent to eliminate unacceptable safety risk in our transit operations.

Yuba-Sutter Transit will:

- Clearly and continuously explain to all staff that everyone working within Yuba-Sutter Transit must take part and be responsible and accountable for the development and operation of the Safety Management System (SMS).
- Work continuously to minimize safety risks.
- Work to comply with and, wherever possible, exceed legislative and regulatory requirements and standards for passengers and employees.
- Work to ensure provision to all employees appropriate safety information and training, that all employees are competent in safety matters, and that all tasks assigned to employees are commensurate with duties and skills.
- Reaffirm that responsibility for making our operations safer for everyone lies with all employees – from executive management to frontline employees. Each manager is responsible for implementing the SMS in their area of responsibility and is accountable to ensure taking all reasonable steps to perform activities established through the SMS.

Yuba Sutter Transit establishes safety performance targets to help measure the overall effectiveness of our processes and ensure we meet our safety objectives. Yuba-Sutter Transit will keep employees informed about safety performance goals and objectives to ensure continuous safety improvement.

Subsection 5.2: Safety Management Policy Communication

The Agency communicates the Safety Management Policy throughout the organization, to all employees, managers, and executives, as well as contractors, and to the Board of Directors.

The Agency accomplishes this through various processes, such as:

- Workshops/training sessions - Conducted for Senior Management, Directors, Managers, and/or Supervisors. Once the Executive Director signs this Plan or any update to this Plan, the Board of Directors approves the Plan or updates and Caltrans certifies the Plan or updates, it will become standard practice in perpetuity so that SMS becomes standard business practice. The Agency and/or any operations management staff keep all Union representatives informed as these actions occur.
- New Hire Safety Orientation – All new employees, regardless of their classifications, receive training about their roles and responsibilities pertaining to PTASP and the principles of SMS.
- Safety bulletins, email safety newsletter blasts to staff, toolbox/tailgate safety meetings and/or safety committee meetings.

Subsection 5.3: Employee Safety Reporting Program

Yuba-Sutter Transit implemented a process that allows Agency employees and contracted employees to report safety conditions to senior management and allows protections for employees who report safety conditions to senior management. The Agency describes the purpose, description, and protections for employees to report unsafe conditions and hazards in the Employee Safety Reporting Program, as shown in the following sections.

Purpose:

a) To establish a system for Yuba-Sutter Transit employees to identify unsafe conditions or hazards at work and report them to their department management without fear of reprisal. However, disciplinary action could result if the condition reported reveals the employee willfully participated in or conducted an illegal act, gross negligence or deliberate or willful disregard of regulations or procedures, including reporting to work under the influence of controlled substances, physical assault of a coworker or passenger, theft of agency property, unreported safety events, unreported collisions, and unreported passenger injuries or fatalities.

b) To provide guidelines for facilitating the timely correction of unsafe conditions or hazards by Yuba-Sutter Transit management.

Description:

a) This program provides a method for Yuba-Sutter Transit management to identify, evaluate, and correct or avoid unsafe conditions or hazards, procedural deficiencies, design inadequacies, equipment failures, or near misses that adversely affect the safety of employees.

Examples of voluntary safety reports include:

- Safety hazards in the operating environment (for example, county or city road conditions);
- Policies and procedures that are not working as intended (for example, insufficient time to complete pre-trip inspection);
- Events that senior managers might not otherwise know about (for example, near misses); and
- Information about why a safety event occurred (for example, radio communication challenges).

b) The program also involves recommending corrective actions and resolutions of identified unsafe conditions or hazards and/or near misses.

c) All employees have the obligation to report immediately any unsafe conditions or hazards and near misses to their immediate supervisor/department manager and may do so without fear of reprisal.

d) Unsafe conditions or hazards may also be identified as a result of occupational injury or illness investigations and/or by accident investigation.

e) Other means by which hazards may be identified are inspections/audits or observations made by the supervisors/management staff as referenced in agency's Safety Inspection Program.

f) Findings will be published immediately following mitigation actions. If employee identification is available, direct feedback regarding mitigation will be provided.

Subsection 5.4: SMS Authorities, Accountabilities, and Responsibilities

This Plan has assigned specific SMS authorities, accountabilities, and responsibilities to the designated Accountable Executive, Chief Safety Officer, Agency's Leadership/Executive Management, and Key Staff/Employees, as described below. Attachment 7 includes a table indicating names of staff currently in each role. Staff updates the table each April during the annual review and board approval process in time for the annual certification deadline of July 20 or as changes to staff require it.

Subsection 5.4.1: Accountable Executive

Yuba-Sutter Transit's Accountable Executive is the Executive Director. The Executive Director is accountable for ensuring effective implementation of the Agency's SMS throughout the Agency's public transportation system. The Executive Director is accountable for ensuring staff takes action, as necessary, to address substandard performance in the Agency's SMS. The Executive Director may delegate specific responsibilities, but the person in that position is ultimately accountable for the Yuba-Sutter Transit's safety performance. They cannot delegate safety performance accountability as it always rests with the Executive Director. The Executive Director is accountable for ensuring that employees effectively implement the Agency's SMS, and takes action, as necessary, to address substandard performance in the Agency's SMS. The Accountable Executive may delegate specific responsibilities, but not accountability for Yuba-Sutter Transit's safety performance.

The Accountable Executive roles include, but are not limited to, the following:

- Decision-making about resources (e.g. people and funds) to support asset management, SMS activities, and capital investments,
- Signing SMS implementation planning documents,
- Endorsing SMS implementation team membership,
- Ensuring consideration and addressing of safety concerns in the agency's ongoing budget planning process,
- Ensuring transparency in safety priorities for the Board of Directors and for the employees,
- Establishing guidance on the level of safety risk acceptable to the agency,
- Assuring appropriate communication of the safety policy throughout the agency, and
- Other duties as assigned/necessary.

Subsection 5.4.2: Chief Safety Officer

The Chief Safety Officer (CSO) is the General Manager for the contracting agency for operations. The CSO has the authority and responsibility for day-to-day implementation and operation of Yuba-Sutter Transit's SMS.

Chief Safety Officer's Roles include:

- Decision-making about resources (e.g., people and funds) to support asset management, SMS activities, and capital investments,
- Overseeing the safety risk management program by facilitating hazard identification, safety risk assessment, and the development and implementation of safety risk mitigations,
- Monitoring safety risk mitigation activities,
- Providing periodic reports on safety performance,

- Briefing the Accountable Executive and the Board of Directors on SMS implementation progress,
- Planning safety management training,
- Developing and organizing annual audits/reviews of SMS processes and the Agency Safety Plan to ensure compliance with 49 CFR Part 673 requirements,
- Maintaining safety documentation, and
- Other duties as assigned/necessary.

Subsection 5.4.3: Agency Leadership and Executive Management

The contracting agency's General Manager, Assistant Operations Manager, Safety & Training Manager and Human Resources Manager comprise Agency Leadership/Executive Management. Some of their responsibilities include:

- Day-to-day implementation of the Agency's SMS throughout their department and the organization;
- Communicating safety accountability and responsibility from the frontline employees to the top of the organization;
- Ensuring employees are following their working rules and procedures, safety rules and regulations in performing their jobs, and their specific roles and responsibilities in the implementation of this Agency Safety Plan and the Agency's SMS;
- Ensuring that employees comply with the safety reporting program and are reporting unsafe conditions and hazards to their department management;
- Ensuring reported unsafe conditions and hazards are addressed in a timely manner; and
- Ensuring that resources are sufficient to carry out employee training/certification and re-training as required by their job classifications.

Subsection 5.4.4: Key Staff

The agency Key Staff/Employees may include managers, supervisors, specialists, analysts, database administrators, and other key employees who are performing highly technical work and overseeing employees performing critical tasks and providing support in the implementation of this Agency Safety Plan and SMS principles in various departments throughout the agency.

Yuba-Sutter Transit's Key Staff/Employee responsibilities include:

- Ensuring that employees are complying with the safety reporting program;
- Ensuring supervisors are conducting their toolbox safety meetings;
- Promoting safety in employee's respective area of responsibilities, where safety means zero accidents, absence of any safety concerns, perfect employee performance and compliance with agency rules, procedures and regulatory requirements;

- Ensuring safety of passengers, employees, and the public;
- Responding to customer complaints and expectations for frequency, reliability, and convenience of service;
- Replacing and maintaining aging facilities, equipment, and infrastructure;
- Meeting increasing demands for fixed route, commuter service and paratransit service;
- Developing and maintaining programs to gather pertinent data elements to develop safety performance reports and conduct useful statistical analyses to identify trends and system performance targets;
- Establishing clear lines of safety communication and holding accountability for safety performance; and
- Assisting as subject matter experts in safety risk assessment and safety risk mitigation processes.

Section 6: Safety Risk Management (SRM)

The second component of the Yuba-Sutter Transit's SMS is Safety Risk Management, which includes processes and procedures to provide an understanding of the Agency's operations and vehicle maintenance to allow individuals to identify hazards associated with those activities.

Yuba-Sutter Transit has implemented a Safety Risk Management process for all elements of its transportation system. The Safety Risk Management process includes the following activities: safety hazard identification, safety risk assessment, and safety risk mitigation. Attachments 3, 4, 5, and 6 contain the plans, processes and documentation samples of the following programs that the agency and contractor utilize for successful implementation of Safety Risk Management: Employee Safety Reporting Program; Safety, Security-Awareness and First Observer Program; Accountability and Incentive Program; Injury and Illness Prevention Plan (IIPP).

Subsection 6.1: Safety Hazard Identification

Hazard identification is the first step in the Safety Risk Management process and a key component. It involves these fundamental safety-related activities: identifying safety hazards and their consequences; assessing the risks associated with the consequences of the hazards; and developing mitigations to reduce the potential consequences of the identified hazards.

The following is Yuba-Sutter Transit's methods and processes to identify hazards. The Agency considers, as a source for hazard identification, data and information provided by an oversight authority and the FTA. The Agency identifies hazards through a variety of sources, including:

- Employee safety reporting,
- Review of vehicle camera footage,
- Review of monthly performance data and safety performance targets,

- Observations from supervisors,
- Maintenance reports,
- Comments from customers, passengers, and third parties,
- Safety committee, driver and all-staff meetings,
- Results of audits and inspections of vehicles and facilities,
- Results of training assessments,
- Investigations into safety events, incidents and occurrences, and
- Information from FTA and oversight authorities.

When a hazard has been identified, whatever the source, it is reported to the Yuba-Sutter Transit Chief Safety Officer, who enters it into the Hazard Log. The Chief Safety Officer also may enter hazards into this log based on reviews of operations and maintenance activities and procedures.

The Chief Safety Officer will investigate hazards to collect information and determine any need to enter the hazard information into the safety/risk assessment process. In following up on identified hazards, the Chief Safety Officer may:

- Reach out to the reporting party, if available, to gather all known information about the reported hazard,
- Conduct a walkthrough of the affected area, assessing the possible hazardous condition, generating visual documentation (photographs and/or video), and taking any measurements deemed necessary,
- Conduct interviews with employees in the area to gather potentially relevant information on the reported hazard,
- Review any documentation associated with the hazard (records, reports, procedures, inspections, technical documents, etc.),
- Contact other departments that may have association with or technical knowledge relevant to the reported hazard,
- Review any past reported hazards of a similar nature, and
- Evaluate tasks and/or processes associated with the reported hazard.

Any staff that identify a hazard that poses an immediate risk to transit operations, the health and safety of employees or the public, or equipment must immediately bring it to the attention of the Accountable Executive. Responsible staff will place the hazard or hazards through the Safety Risk Management process for safety risk assessment and mitigation. Otherwise, responsible staff will prioritize any hazards for further Safety Risk Management activity.

Subsection 6.2: Safety Risk Assessment

Safety risk assessment defines the level or degree of the safety risk by assessing the likelihood and severity of the consequences of hazards and prioritizes hazards based on the safety risk. The Chief Safety Officer, with assistance from key staff subject matter experts, is responsible for assessing identified hazards and ratings using the Safety

Risk Assessment Matrix below. Prioritizing safety risk provides the Accountable Executive with the information needed to make decisions about resource application.

The following matrix, adopted from the TSI Participation Guide – SMS Principles for Transit, facilitates the ranking of hazards based on their probability of occurrence and severity of their outcome. The measuring goes from A to F with A being frequent or likely to occur frequently and E being improbable or expected that this event will most likely never occur. Agency staff use designation F when identifying and later eliminating potential hazards.

Probability Levels			
Description	Level	Specific Individual Item	Fleet Inventory
Frequent	A	Likely to occur often in the life of an item.	Continuously experienced.
Probable	B	Will occur several times in the life of an item.	Will occur frequently.
Occasional	C	Likely to occur sometime in the life of an item.	Will occur several times.
Remote	D	Unlikely, but possible to occur in the life of an item.	Unlikely, but can reasonably be expected to occur.
Improbable	E	So unlikely, it can be assumed occurrence may not be experienced in the life of an item.	Unlikely to occur, but possible.
Eliminated	F	Incapable of occurrence. The ranking uses this level when identifying and later eliminating potential hazards.	Incapable of occurrence. The ranking uses this level when identifying and later eliminating potential hazards.

The Safety Levels table below presents a typical safety risk. It includes four categories to denote the level of severity of the occurrence of a consequence, the meaning of each category, and the assignment of a value to each category using numbers. In this table, Level 1 is considered catastrophic meaning possible deaths and equipment destroyed and Level 4 is considered negligible or of little consequence with two levels in between.

Severity Levels		
Description	Level	Mishap Result Criteria
Catastrophic	1	Could Result in one or more of the following: death, permanent total disability, irreversible significant environmental impact, or monetary loss equal to or exceeding \$10M

Severity Levels

Critical	2	Could result in one or more of the following: permanent partial disability, injuries or occupational illness that may result in hospitalization of at least three personnel, reversible significant environmental impact, or monetary loss equal to or exceeding \$1M but less than \$10M
Marginal	3	Could result in one or more of the following: injuries or occupational illness resulting in one or more lost work day(s), reversible moderate environmental impact, or monetary loss equal to or exceeding \$100k but less than \$1M
Negligible	4	Could result in one or more of the following: injuries or occupational illness not resulting in lost workday, minimum environmental impact; or monetary loss less than \$100k.

The Safety Risk Assessment Matrix and Safety Risk Index Ranking each combine the Safety Risk Probability and the Safety Risk Severity to help prioritize safety risks according to the tables below.

Safety Risk Assessment Matrix				
Severity → Probability ↓	Catastrophic 1	Critical 2	Marginal 3	Negligible 4
A-Frequent	1A	2A	3A	4A
B- Probable	1B	2B	3B	4B
C-Occasional	1C	2C	3C	4C
D- Remote	1D	2D	3D	4D
E- Improbable	1E	2E	3E	4E
F- Eliminated				
Safety Risk Index Ranking				
1A, 1B, 1C, 2A, 2B	High	Unacceptable		
1D, 2C, 3A, 3B	Serious	Undesirable - With management decision required		
1E, 2D, 2E, 3C, 3D, 3E, 4A, 4B,	Medium	Acceptable - with review by management		
4C, 4D, 4E	Low	Acceptable - without review		

The Chief Safety Officer documents recommendations regarding hazard rating and mitigation options and reports this information to the Accountable Executive.

Subsection 6.3: Safety Risk Mitigation

The Chief Safety Officer, assisted by Key Staff subject matter experts, reviews current safety risk mitigations and establish procedures to 1) eliminate; 2) mitigate; 3) accept specific risks. Involved staff base prioritization of safety remediation measures on risk analysis and a course of action acceptable to Yuba-Sutter Transit management. Agency staff must mitigate the safety risk if ranked as Unacceptable (High-Red). Those safety risks that have been mitigated, even mitigated risks shown as Acceptable status (Low-Green), undergo regular and consistent monitoring to ensure the mitigation strategy is effective.

Key strategies to minimize the types of risks that potentially exist include:

- Development and deployment of policies and procedures that address known hazards and risks,
- Development and deploy measures to minimize exposure of all workers to infectious disease;
- Discussion of other actions, strategies and procedures that might help safeguard against unknown/unforeseen risks,
- Training of drivers and other agency staff on all safety policies and procedures,
- Training of drivers and other agency staff on methodologies for handling emergencies, and
- Training of drivers and staff on proper and effective use of emergency equipment and communication technologies and protocol.

The Chief Safety Officer tracks and updates safety risk mitigations in the Hazard Log, accessed through documentation associated with the contractor's Injury & Illness Prevention Program (IIPP). Attachment 6 contains a copy of this plan.

Subsection 6.4 Physical Systems and Hazard Control Strategies

The following methodologies are used to ensure system safety and security objectives to eliminate or control hazards. The specific actions in each methodology incorporate physical, administrative, and behavioral defenses, including strategies to minimize exposure to infectious diseases. These following controls are implemented throughout design, construction, procurement, and operations:

1. Design out hazards or design to minimize hazard severity to the extent permitted by cost and practicality. Identified hazards are eliminated or controlled by the design of equipment, systems, and facilities.
2. Develop mitigating provisions for hazards that cannot reasonably be eliminated or controlled through design which are controlled to an acceptable

level using fixed, automatic, or other protective safety design features or devices. Provisions are made for periodic performance of functional checks of safety devices and employee training to meet system safety objectives.

3. When design, training, and safety devices cannot reasonably nor effectively eliminate or control an identified hazard, safety warning devices are used (to the extent practicable) to alert persons of the hazard.
4. Where it is impossible to reasonably eliminate or adequately control a hazard through design or the use of safety and warning devices, procedures and training are used to control the hazard. Cautionary notations are standardized for use by all persons involved and safety-critical issues will require certification of authorized personnel.

The Safety Risk Index defines the magnitude of any specific hazard item without implementation of design, construction, procurement, or operational measures to control or mitigate the risk. The Safety & Training Manager will identify sets of proposed mitigation actions to eliminate or control each identified risk and evaluate the Residual Risk Index, based on those mitigating actions, to assess the potential effectiveness, and inform the Chief Safety Officer of the determination of whether the hazard is adequately controlled or mitigated.

Section 7: Safety Assurance

The third component of the Agency's SMS is Safety Assurance, which ensures the performance and effectiveness of safety risk controls established under safety risk management. Safety assurance also helps ensure that the organization meets or exceeds its safety objectives through the collection, analysis, and assessment of data regarding the organization's performance. Safety assurance includes inspection activities to support oversight and performance monitoring.

Yuba-Sutter Transit monitors its operations and maintenance protocols and procedures, and any safety risk mitigations to ensure that it is implementing them as planned. Furthermore, the Agency investigates safety events (as defined in the contractor's Safety, Security-Awareness and First Observer Program - Attachment 5) and any reports of non-compliance with applicable regulations, standards, and legal authority. Finally, the Agency continually monitors information reported to it through any internal safety reporting programs, including the employee safety-reporting program. The following sub-section shows some of the key elements of Yuba-Sutter Transit's Safety Performance Monitoring and Measurement.

Subsection 7.1: Safety Performance Monitoring and Measurement

As part of the Safety Assurance Process, Yuba-Sutter Transit:

- Monitors the system for compliance with, and sufficiency of, the Agency's procedures for operations and maintenance through:
 - Safety audits,
 - Informal inspections,
 - Regular review of on-board camera footage to assess drivers and specific incidents,
 - Safety surveys,
 - Employee safety reporting program,
 - Investigation of safety occurrences,
 - Safety review prior to the launch or modification of any facet of service,
 - Daily data gathering and monitoring of data relating to the delivery of service,
 - Regular vehicle inspections and preventative maintenance, and
 - Continuous feedback loop between leadership and all levels of the agency;
- Monitors its operations to identify any safety risk mitigations that may be ineffective, inappropriate, or were not implemented as intended through:
 - Reviewing results from accident, incident, and occurrence investigations,
 - Monitoring employee safety reporting,
 - Reviewing results of internal safety audits and inspections, and
 - Analyzing operational and safety data to identify emerging safety concerns;
- Conducts investigations of safety events to identify causal factors; and
- Monitors information reported through any internal safety reporting programs via the following:
 - The Chief Safety Officer routinely reviews safety data captured in employee safety reports, safety meeting minutes, customer complaints, and other safety communication channels. When necessary, the Chief Safety Officer ensures that the issues and concerns are investigated or analyzed through the safety risk assessment process.
 - The Chief Safety Officer also reviews the results of internal and external reviews, including audits and assessments, with findings affecting safety performance, compliance with operations and maintenance procedures, or the effectiveness of safety risk mitigations. The Chief Safety Officer discusses relevant safety issues and concerns with the Accountable Executive and executive management and documents the results of these reviews in the Hazard Log.

In the event of a fatality, Yuba-Sutter Transit complies with all FTA drug and alcohol requirements.

In California, every driver involved in an accident that results in death, injury, or property damage over \$1000, effective January 1, 2017, must report the accident on a Report of Traffic Accident Occurring in California (SR 1) form to DMV. The report forms are available at www.dmv.ca.gov, by calling 1-800-777-0133, and at CHP and DMV offices. Also, under California Vehicle Code §16002(b), the driver of a vehicle that is owned or

operated by a publicly owned or operated transit system, or that is operated under contract with a publicly owned or operated transit system, and that is used to provide regularly scheduled transportation to the general public or for other official business of the system, shall, within 10 days of the occurrence of the accident, report to the transit system any accident of a type otherwise required to be reported pursuant to subdivision (a) of Section 16000 . Yuba-Sutter Transit requires driver notification to Yuba-Sutter Transit immediately and maintains records of any report filed pursuant to this paragraph.

Section 8: Safety Promotion

The fourth component of the Agency's SMS is Safety Promotion, which includes a combination of training and communication of safety information to employees to enhance the Agency's safety performance. Safety Promotion sets the tone for the SMS and helps Yuba-Sutter Transit to establish and maintain a robust safety culture. Safety Promotion has two-components: (1) Safety Communication; and (2) Competencies and Training.

Subsection 8.1: Safety Communication

Yuba-Sutter Transit communicates safety and safety performance information throughout the organization that, at a minimum, conveys information on hazards and safety risks relevant to employees' roles and responsibilities and informs employees of safety actions taken in response to reports submitted through an employee safety-reporting program.

Ongoing safety communication is critical and Yuba-Sutter Transit ensures communication occurs up, down, and across all levels of the organization. Key staff and management communicate any lessons learned to all concerned. Management also communicates its commitment to address safety concerns and hazards on a regular basis. Management encourages and motivates employees to communicate openly, authentically, and without concern for reprisal; ensures employees are aware of SMS principles and understand their safety-related roles and responsibilities; conveys safety critical information such as accident data, injuries, and reported safety concerns and hazards and their resolutions to employees.

Yuba-Sutter Transit's tools to support safety communication include:

- Safety bulletins
- Safety notices
- Posters
- CDs or Thumb drives or online safety video access
- Newsletters
- Briefings or Toolbox talks
- Seminars and workshops
- New employee training and refresher training

- Intranet or social media
- Safety Committee Meetings

Subsection 8.2: Competencies and Training

Executive Management ensures that all employees attend the training provided to understand their specific roles and responsibilities for the implementation of SMS.

Yuba-Sutter Transit provides SMS training in the following areas:

- All Employees
 - Understanding of Safety Performance Targets
 - Understanding of fundamental principles of SMS
 - Understanding of Safety Reporting Program – Reporting unsafe conditions and hazards/near misses
 - Understanding of their individual roles and responsibilities under SMS
- Managers and Supervisors
 - Understanding of Safety Risk Management
 - Understanding of Safety Assurance
 - Understanding of Safety Promotion
 - Understanding of their individual roles and responsibilities for SMS
- Executive Management
 - Understanding of management commitment to and support of all SMS activities

All employees are required to acquire the competencies and knowledge for the consistent application of their skills as they relate to safety performance objectives. Yuba-Sutter Transit dedicates resources to conduct effective safety-related skill training. The scope of the safety training is appropriate to each employee's individual safety-related job responsibilities and their role in SMS.

Components of Yuba-Sutter Transit's skill-related training include:

- Conducting training needs analyses to ensure that the right information is taught to the right employees using the most efficient training methods;
- Passenger Management training which includes de-escalation and conflict resolution tools;
- Assault Awareness and Prevention for Transit Operators training;
- Communicating purpose, objectives, and outcome;
- Defensive driving training for accident avoidance;
- Ensuring relevant content by directly linking training to the trainee's job experiences so trainees are more motivated to learn;
- Using active hands-on demonstrations and practice to demonstrate skills that are taught and provide opportunities for trainees to practice skills;
- Providing regular feedback during hands-on practice and exercises; and

- Reinforcing training concepts in the post-training work environment by giving employees opportunities to perform what they have learned.

Specific safety-related skill training programs include:

- Storer Transit Systems: Safety, Security-Awareness and First Observer Program
- Assault Awareness and Prevention for Transit Operators by Rutgers
- TSA First Observer Plus

Yuba-Sutter Transit conducts refresher training annually during employee safety meetings.

Section 9: Documentation

Pursuant to 49 CFR Part 673.31, Yuba-Sutter Transit maintains records related to this Safety Plan and SMS implementation for a minimum of three years. These documents include but are not limited to the results from SMS processes and activities. Yuba-Sutter Transit will make these documents available to FTA Region 9, Caltrans, and other Federal and state agencies upon request.

Section 10: Attachments

The following pages include all attachments referred within and related to this Agency Safety Plan.

AGENDA ITEM V – A
STAFF REPORT

FY 2021/2022 FINANCIAL AUDIT REPORT

Attached for Board review and acceptance is a copy of the Yuba-Sutter Transit Authority (Authority) Independent Audit Report and related letters for FY 2021/2022. This report is completed annually on behalf of the Sacramento Area Council of Governments (SACOG) in accordance with the provisions of the State Transportation Development Act (TDA). The report was prepared by the firm of Richardson & Company of Sacramento.

Schedule of Findings and Questioned Costs

The only audit finding presented in the Schedule of Findings and Questioned Costs of the financial statements is that the Authority claimed TDA revenues in excess of actual transit operation expenses by \$122,513 for FY 2022. The amount over-claimed was due to the Authority's actual expenses, less depreciation, being less than budgeted. The effect of the amounts over-claimed resulted in excess net position that will need to be used for future expenses before additional TDA revenues are claimed. The Authority maintains a reconciliation of any excess or shortage of funds applied to the budget. For transparency, this reconciliation is included as part of each annual operating budget.

Fare Revenue Ratio

The Authority is required to maintain a fare revenue ratio of 14.6 percent in accordance with the TDA. This percentage, commonly known as the farebox recovery ratio, represents the share of Authority operating costs that are funded from passenger fares and other allowed local revenues. In response to the COVID-19 pandemic, Assembly Bill (AB) 90 was signed in June 2020 to temporarily hold transit operators harmless for significant decreases in ridership and fare revenues. AB 90 prohibits the implementation of a penalty for failure to meet the required minimum fare revenue ratio for fiscal years 2020 and 2021. AB 149 (July 2021) extended this penalty prohibition through FY 2023. As a result, no penalties will be applied to future years for the failure to meet the minimum required fare revenue ratio during these fiscal years.

The FY 2022 Fare Revenue Ratio (Note E on page 12 of the Audited Financial Statements) reflects the implementation of two additional AB 149 authorized changes in the calculation. The first change is allowing any "non-state funds" to be counted as "local funds". For FY 2022, this resulted in the addition of \$3,788,900 in federal funds as "local funds" for the purpose of calculating the fare revenue ratio. The second change allowed for an exemption from expenditures greater than the "actuarially determined contribution associated with pensions and post-employment benefits (OPEB) as required by Governmental Accounting Board Statement Numbers 68 and 75." This means the non-cash balance sheet true-up of pension and OPEB accounts that are recorded in expenses may be excluded from operating costs. For FY 2022, the calculation reflects an OPEB adjustment of \$28,642 to reduce expenses but does not reflect adding back the \$512,206 pension adjustment that reduced expenses in the first place (see Personnel costs on the Statement of Revenues, Expenses and Changes in Net Position of \$642,906 in FY 2021 compared to only \$106,518 in FY 2022 due to the GASB 68 pension credit adjustment).

Applying these two changes results in a calculated fare revenue ratio of 63.96 percent for FY 2022 which far exceeds the original 14.6 percent requirement as well as the 8.95 percent figure that was calculated for FY 2021. For comparison purposes, if neither change had been implemented, staff has calculated that the FY 2022 fare revenue ratio would have been 12.61 percent. While still below the original 14.6 percent requirement, this figure is up significantly from the 8.95 percent figure of FY 2021 indicating significant continued recovery from the devastating impacts of the pandemic. If both changes had been implemented in FY 2021 (adding federal revenue of \$3,919,800 and excluding \$75,464 of pension and OPEB adjustments) the resulting fare revenue ratio would have been 61.54 percent instead of the reported 8.95 percent.

Staff will be prepared to discuss the report in detail at the meeting.

RECOMMENDATION: Accept the FY 2021/2022 Financial Audit Report as presented.

YUBA-SUTTER TRANSIT AUTHORITY

Audited Financial Statements
and Compliance Reports

June 30, 2022

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YUBA-SUTTER TRANSIT AUTHORITY

Audited Financial Statements
and Compliance Reports

June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Yuba-Sutter Transit Authority
Marysville, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Yuba-Sutter Transit Authority (the Authority) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2022 and 2021, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials Statements section of our report. We are required to be independent of the Authority 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinion. 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement

To the Board of Directors
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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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Authority'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 Authority'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, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, and schedule of changes in the net OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 auditing standards generally accepted in the United States of America, 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 any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was

To the Board of Directors
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derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2022 on our consideration of the Authority'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 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 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 Authority's internal control over financial reporting and compliance.

Richardson & Company, LLP

November 29, 2022

YUBA-SUTTER TRANSIT AUTHORITY

STATEMENTS OF NET POSITION

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4,373,575	\$ 4,938,363
Accounts receivable	3,101	7,682
Interest receivable	8,707	3,158
Due from other governmental agencies	2,408,500	1,035,367
Prepaid expenses and other assets	18,619	37,421
TOTAL CURRENT ASSETS	<u>6,812,502</u>	<u>6,021,991</u>
NONCURRENT ASSETS		
Restricted cash and cash equivalents	425,830	511,925
Net pension asset	280,297	
Capital assets:		
Nondepreciable	1,863,730	922,578
Depreciable, net	11,965,251	13,755,295
Total Capital Assets	<u>13,828,981</u>	<u>14,677,873</u>
TOTAL NONCURRENT ASSETS	<u>14,535,108</u>	<u>15,189,798</u>
TOTAL ASSETS	<u>21,347,610</u>	<u>21,211,789</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension plan	494,155	300,499
Other post employment benefits plan	69,043	23,057
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 21,910,808</u>	<u>\$ 21,535,345</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 572,856	\$ 586,757
Accrued payroll	40,256	38,877
Accrued compensated absences	48,776	47,935
Unearned revenue	425,830	3,019,036
Deposits payable	25,050	25,050
TOTAL CURRENT LIABILITIES	<u>1,112,768</u>	<u>3,717,655</u>
NONCURRENT LIABILITIES		
Net pension liability		20,745
Other post employment benefits liability	189,858	115,155
TOTAL LIABILITIES	<u>1,302,626</u>	<u>3,853,555</u>
DEFERRED INFLOWS OF RESOURCES		
Pension plan	219,380	236,888
Other post employment benefits plan	745	820
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>220,125</u>	<u>237,708</u>
NET POSITION		
Investment in capital assets	13,828,981	14,677,873
Restricted for capital projects	145,546	
Restricted for operations in specified service areas	284,134	109,496
Unrestricted	6,129,396	2,656,713
TOTAL NET POSITION	<u>20,388,057</u>	<u>17,444,082</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 21,910,808</u>	<u>\$ 21,535,345</u>

The accompanying notes are an integral part of these financial statements.

YUBA-SUTTER TRANSIT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Passenger fares	\$ 699,559	\$ 513,940
Special transit fares	63,397	22,032
TOTAL OPERATING REVENUES	<u>762,956</u>	<u>535,972</u>
OPERATING EXPENSES		
Operations		
Purchased transportation	5,543,735	5,542,348
Depreciation	1,790,044	1,859,026
Fuel and lubricants	840,523	499,026
Maintenance and supplies	337,967	306,646
Vehicle insurance	280,041	270,402
Total operations	<u>8,792,310</u>	<u>8,477,448</u>
General administration		
Personnel costs	106,518	642,906
Services	168,809	155,910
Utilities	65,004	60,839
Casualty and liability insurance	31,821	31,546
Materials	6,064	7,732
Miscellaneous	27,274	25,300
Total general and administration	<u>405,490</u>	<u>924,233</u>
TOTAL OPERATING EXPENSES	<u>9,197,800</u>	<u>9,401,681</u>
NET LOSS FROM OPERATIONS	(8,434,844)	(8,865,709)
NONOPERATING REVENUES (EXPENSES)		
Federal Transit Administration operating grants	3,788,900	3,919,800
Local Transportation Fund	3,100,000	2,800,000
State Transit Assistance and State of Good Repair operating	3,024,168	
State operating grants	210,161	215,292
Advertising	46,979	38,773
Other revenues	103,496	85,051
Interest	17,076	15,392
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>10,290,780</u>	<u>7,074,308</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,855,936	(1,791,401)
CAPITAL CONTRIBUTIONS		
State Transit Assistance and State of Good Repair capital	1,088,039	48,318
TOTAL CAPITAL CONTRIBUTIONS	<u>1,088,039</u>	<u>48,318</u>
CHANGE IN NET POSITION	2,943,975	(1,743,083)
Net position at beginning of year	<u>17,444,082</u>	<u>19,187,165</u>
NET POSITION AT END OF YEAR	<u>\$ 20,388,057</u>	<u>\$ 17,444,082</u>

The accompanying notes are an integral part of these financial statements.

YUBA-SUTTER TRANSIT AUTHORITY

STATEMENTS OF CASH FLOWS

For the Year Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	\$ 767,537	\$ 531,860
Cash paid to suppliers for goods and services	(7,456,343)	(6,978,142)
Cash paid to employees for services	(427,856)	(411,271)
NET CASH USED FOR OPERATING ACTIVITIES	<u>(7,116,662)</u>	<u>(6,857,553)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants and subsidies	7,051,746	8,070,970
Other nonoperating revenue	150,475	123,824
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>7,202,221</u>	<u>8,194,794</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grants received	193,183	986,622
Purchase of capital assets	(941,152)	(48,318)
NET CASH (USED) PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(747,969)</u>	<u>938,304</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earnings received	11,527	16,071
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>11,527</u>	<u>16,071</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(650,883)	2,291,616
Cash and cash equivalents at beginning of year	<u>5,450,288</u>	<u>3,158,672</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,799,405</u>	<u>\$ 5,450,288</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEETS		
Cash and cash equivalents	\$ 4,373,575	\$ 4,938,363
Restricted cash and cash equivalents	425,830	511,925
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,799,405</u>	<u>\$ 5,450,288</u>
RECONCILIATION OF NET LOSS FROM OPERATIONS TO NET CASH USED FOR OPERATING ACTIVITIES:		
Net loss from operations	\$ (8,434,844)	\$ (8,865,709)
Adjustments to reconcile net loss from operations to net cash used for operating activities:		
Depreciation	1,790,044	1,859,026
Changes in operating assets, deferred outflows, liabilities and deferred inflows:		
Accounts receivable	4,581	(4,112)
Prepaid expenses	18,802	8,077
Deferred outflows of resources	(239,642)	162,511
Accounts payable	(13,901)	62,252
Accrued payroll	1,379	1,572
Accrued compensated absences	841	5,877
Net pension liability	(301,042)	(346,286)
OPEB liability	74,703	36,580
Deferred inflows of resources	(17,583)	222,659
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ (7,116,662)</u>	<u>\$ (6,857,553)</u>

The accompanying notes are an integral part of these financial statements.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Yuba-Sutter Transit Authority (the Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting principles of the Authority are described below.

Description of Reporting Entity: The Authority is a joint powers agency formed by Yuba and Sutter Counties and the Cities of Marysville and Yuba City, to provide transportation services in the Yuba-Sutter Bi-County Area. The Authority is governed by an eight-member Board of Directors consisting of two members each from the Board of Supervisors of the counties of Yuba and Sutter and the City Councils of the cities of Yuba City and Marysville. The Authority operates a wide range of public transit services in both the rural and urbanized areas of Yuba and Sutter Counties, including the cities of Marysville, Yuba City, Wheatland, and Live Oak through the use of a transit contractor. These services include fixed routes and dial-a-ride in the urban areas, rural route deviation service to Live Oak, Wheatland, and the Yuba County foothills, and both commuter and midday service to Sacramento.

Basis of Presentation: The Authority's resources are allocated to and accounted for in these financial statements as an enterprise fund type of the proprietary fund group. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Unrestricted net position for the enterprise fund represents the net position available for future operations.

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of net position. Net position is segregated into the investment in capital assets, amounts restricted and amounts unrestricted. Enterprise fund-type operating statements present increases (i.e., revenue) and decreases (i.e., expenses) in net position.

The Authority uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. When such funds are received they are recorded as unearned revenues until earned. Transportation Development Act (TDA) revenues are recognized when all eligibility requirements have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for transportation services. Operating expenses include the cost of purchased transportation, fuel and lubricants, administrative expenses, maintenance, insurance and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Cash and Cash Equivalents: For the purposes of reporting cash flows, the Authority considers all cash and highly liquid investments purchased with an original maturity of three months or less and the investment in the Local Agency Investment Fund (LAIF) to be cash equivalents.

Restricted Cash and Cash Equivalents: Restricted cash and cash equivalents represents the unexpended amounts received under the Low Carbon Transit Operations Program.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets: Capital assets are valued at historical cost. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of one year or more. Provision is made for depreciation on the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings and improvements	5-30 years
Vehicles	4-12 years
Equipment	5-10 years

Maintenance and repairs are charged to operations when incurred. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement.

Unearned Revenue: Unearned revenue represents resources received before the Authority has legal claim to them (i.e. when cost reimbursement grant revenues are received prior to the incurrence of qualifying expenditures) or when exchange revenues are received before the exchange takes place. Unearned revenue consisted of the following at June 30, 2022 and 2021:

	2022	2021
Low Carbon Transit Operations Program	\$ 425,830	\$ 511,925
State Transit Assistance capital		1,086,699
State Transit Assistance operating		1,420,412
	\$ 425,830	\$ 3,019,036

Compensated Absences: It is the Authority’s policy to permit employees to accumulate earned but unused annual leave benefits up to a maximum of 384 hours. Unused annual leave is paid to the employees upon termination. The Authority considers the entire balance of compensated absences to be a current liability.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earning process is complete. Deferred outflows and inflows of resources represent amounts deferred related to the Authority’s pension and OPEB plan as described in Notes G and H.

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the pension plan, and pension expense, information about the fiduciary net position of the Authority’s California Public Employees’ Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (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 OPEB plan and additions to/deductions from the OPEB plan’s fiduciary net position have been determined on the same basis as they were reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Restricted Net Position: Restrictions of net position show amounts that are legally restricted for specific uses. The amount restricted for operations is for State Transit Assistance funds claimed on behalf of Wheatland and Live Oak that have not been spent.

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents reported on the balance sheet was as follows at June 30:

	2022	2021
Cash and cash equivalents	\$ 4,373,575	\$ 4,938,363
Restricted cash and cash equivalents	425,830	511,925
Total cash and cash equivalents	\$ 4,799,405	\$ 5,450,288

Cash and cash equivalents consisted of the following at June 30:

	2022	2021
Cash on hand	\$ 200	\$ 200
Deposits in financial institutions:		
Unrestricted	193,986	1,070,227
Restricted	425,830	511,925
Total	620,016	1,582,352
Investment in Local Agency Investment Fund (LAIF):		
Unrestricted	4,179,389	3,867,936
Total	4,179,389	3,867,936
Total cash and cash equivalents	\$ 4,799,405	\$ 5,450,288

Investment Policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The Authority's investment policy permits investments only in time deposits and the State of California Local Agency Investment Fund (LAIF).

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2022 and 2021, the weighted average maturity of the investments contained in the LAIF investment pool was approximately 311 and 291 days, respectively.

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. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

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 California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE B – CASH AND CASH EQUIVALENTS (Continued)

financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). 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 public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2022 and 2021, the carrying amount of the Authority’s deposits was \$619,816 and \$1,582,152 and the balance in financial institutions was \$626,385 and \$1,589,014, respectively. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance. The remaining amount of \$376,385 and \$1,339,014 at June 30, 2022 and 2021, respectively, was collateralized by securities pledged by the financial institution, but not in the name of the Authority.

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF was \$231,570,067,770, which is managed by the State Treasurer. Of that amount, 1.88% was invested in asset-back securities and structured financial instruments. The Local Investment Advisory Board (the Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the Authority’s investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE C – DUE FROM OTHER GOVERNMENTAL AGENCIES

Amounts due from other governmental agencies consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Sacramento Area Council of Governments (STA)	\$ 1,603,756	\$ 21,851
Federal Transit Administration (FTA) grants	671,290	533,115
Connect Card Consortium	57,769	
State Department of Transportation (FTA pass-through) grants	36,462	362,445
Sacramento Area Council of Governments (SGR)	1,341	
Sacramento Area Council of Governments (LTF)		49,965
Other	<u>37,882</u>	<u>67,991</u>
Total due from other governmental agencies	<u>\$ 2,408,500</u>	<u>\$ 1,035,367</u>

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE D – CAPITAL ASSETS

Capital asset activity was as follows for the years ended June 30:

	Balance at July 1, 2021	Additions	Retirements	Transfers	Balance at June 30, 2022
Capital assets, not being depreciated					
Land	\$ 905,570	\$ 941,152		\$ 17,008	\$ 1,863,730
Work in progress	17,008			(17,008)	
Total capital assets not being depreciated	<u>922,578</u>	<u>941,152</u>			<u>1,863,730</u>
Capital assets, being depreciated:					
Buildings and improvements	4,691,997				4,691,997
Vehicles	19,169,401				19,169,401
Maintenance tools and equipment	291,654				291,654
Office equipment	146,732				146,732
Total capital assets being depreciated	<u>24,299,784</u>				<u>24,299,784</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,136,686)	(174,728)			(2,311,414)
Vehicles	(8,119,325)	(1,591,906)			(9,711,231)
Maintenance tools and equipment	(146,880)	(20,945)			(167,825)
Office equipment	(141,598)	(2,465)			(144,063)
Total accumulated depreciation	<u>(10,544,489)</u>	<u>(1,790,044)</u>			<u>(12,334,533)</u>
Total capital assets being depreciated, net	<u>13,755,295</u>	<u>(1,790,044)</u>			<u>11,965,251</u>
Capital assets, net	<u>\$ 14,677,873</u>	<u>\$ (848,892)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,828,981</u>
	Balance at July 1, 2020	Additions	Retirements	Transfers	Balance at June 30, 2021
Capital assets, not being depreciated					
Land	\$ 905,570				\$ 905,570
Work in progress		\$ 17,008			17,008
Total capital assets not being depreciated	<u>905,570</u>	<u>17,008</u>			<u>922,578</u>
Capital assets, being depreciated:					
Buildings and improvements	4,691,997				4,691,997
Vehicles	19,169,401				19,169,401
Maintenance tools and equipment	260,344	31,310			291,654
Office equipment	146,732				146,732
Total capital assets being depreciated	<u>24,268,474</u>	<u>31,310</u>			<u>24,299,784</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,961,958)	(174,728)			(2,136,686)
Vehicles	(6,460,555)	(1,658,770)			(8,119,325)
Maintenance tools and equipment	(125,565)	(21,315)			(146,880)
Office equipment	(137,385)	(4,213)			(141,598)
Total accumulated depreciation	<u>(8,685,463)</u>	<u>(1,859,026)</u>			<u>(10,544,489)</u>
Total capital assets being depreciated, net	<u>15,583,011</u>	<u>(1,827,716)</u>			<u>13,755,295</u>
Capital assets, net	<u>\$ 16,488,581</u>	<u>\$(1,810,708)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,677,873</u>

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE E – FARE REVENUE RATIO

The Authority is required by the Sacramento Area Council of Governments (SACOG) to maintain a fare revenue ratio to operating expense ratio of 14.6% in accordance with the Transportation Development Act (TDA). The operating exemption is based on the net operation expense per vehicle service hour. The fare revenue ratios were as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Fare revenues	\$ 762,956	\$ 535,972
Local funds:		
Federal funds	3,788,900	
Advertising	46,979	38,773
Other revenues	103,496	85,051
Interest	<u>17,076</u>	<u>15,392</u>
Total fare revenues and local funds	<u>\$ 4,719,407</u>	<u>\$ 675,188</u>
Total operating expenses	\$ 9,197,800	\$ 9,401,681
Less: OPEB expense in excess of actuarially determined contribution	(28,642)	
Less: depreciation	<u>(1,790,044)</u>	<u>(1,859,026)</u>
Net operating expenses	<u>\$ 7,379,114</u>	<u>\$ 7,542,655</u>
Fare revenue ratio	<u>63.96%</u>	<u>8.95%</u>

The Authority did not comply with the required 14.6% fare revenue for the year ended June 30, 2021. However, Assembly Bill No. 90 (AB 90), signed into legislation on June 29, 2020, was enacted in response to the COVID-19 pandemic's impact on transit operators to hold them harmless for significant decreases in ridership and fare revenues. AB 90 prohibits the implementation of a penalty for failure to meet the required minimum fare revenue ratio during the years ended June 30, 2020 and 2021. AB 149 approved in July 2021 extends the prohibition of the penalties for not meeting the fare revenue ratio through the fiscal year ended June 30, 2023. No penalties will be applied to future years for the failure to meet the minimum required fare revenue ratio during these fiscal years.

NOTE F – INSURANCE

The Authority is exposed to the ordinary risk of loss in the normal course of business: general liability, automobile, and property. Commercial insurance is purchased to cover these potential areas of risk. There have been no significant reductions in insurance coverage from coverage in the prior fiscal year. Also, there have not been any settlements in excess of the insurance coverage for the past three fiscal years.

NOTE G – PENSION PLAN AND DEFERED COMPENSATION PLAN

Pension Plan Description: All qualified permanent and probationary employees are eligible to participate in the Authority's cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The Authority participates in the Miscellaneous Risk Pool and the following rate plans:

- Miscellaneous rate plan
- PEPRM Miscellaneous rate plan

Benefit provisions under the Plan are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE G – PENSION PLAN AND DEFERRED COMPENSATION PLAN (Continued)

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 3, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for the Plan are applied as specified by the Public Employees’ Retirement Law. The Plan’s provisions and benefits in effect at June 30, 2022 and 2021 are summarized as follows:

	Miscellaneous	PEPRA Miscellaneous
	Prior to January 1, 2013	On or after January 1, 2013
CalPERS membership date		
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 - 63	52 - 67
Final average compensation period	Three years	Three years
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.50%
Required employee contribution rates 2021	6.908%	6.750%
Required employer contribution rates 2021	10.484%	7.732%
Required employee contribution rates 2022	6.910%	6.750%
Required employer contribution rates 2022	10.340%	7.590%

The Miscellaneous rate plan is closed to new members that are not already CalPERS participants. The Miscellaneous rate plan contribution percentages above do not include the required payment of the Employer Unfunded Accrued Liability (UAL). The contribution percentages, including the UAL payment, would have been 10.890% and 19.399% for the years ended June 30, 2022 and 2021, respectively, for the miscellaneous plan and 8.230% and 10.852%, respectively, for the PEPRA plan.

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The employer contributions for the Plan were \$41,171 and \$37,935 for the years ended June 30, 2022 and 2021, respectively.

Pension Assets/Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2022, the Authority reported a net pension asset for its proportionate share of the net pension liability/asset of the Plan of \$280,297. As of June 30, 2021, the Authority reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$20,745.

The Authority’s net pension asset/liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan for the years ended June 30, 2022 and 2021 was measured as of June 30, 2021 and 2020, respectively, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2020 and 2019 rolled forward to June 30, 2021 and 2020, respectively, using standard update procedures. The Authority’s proportion of the net pension liability was based on a projection of the Authority’s long-term share of contributions to the pension plan relative to the projected

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE G – PENSION PLAN AND DEFERRED COMPENSATION PLAN (Continued)

contributions of all participating employers, actuarially determined. The Authority’s proportionate share of the net pension liability as of the June 30, 2021, 2020 and 2019 measurement dates were as follows:

Proportion - June 30, 2020	0.00917%
Proportion - June 30, 2021	<u>0.00049%</u>
Change	-0.00868%
Proportion - June 30, 2022	<u>-0.01476%</u>
Change	-0.01525%

For the years ended June 30, 2022 and 2021, the Authority recognized pension (benefit)/expense of \$(471,035) and \$95,188, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources as of June 30:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 41,171		\$ 37,935	
Differences between expected and actual experience		\$ (31,432)	1,069	
Changes in assumptions				\$ (148)
Net differences between projected and actual earnings on pension plan investments	244,684		616	
Change in employer's proportion	43,484	(152,061)	2,911	(236,740)
Difference between actual contributions and proportionate share of contributions.	<u>164,816</u>	<u>(35,887)</u>	<u>257,968</u>	
Total	<u>\$ 494,155</u>	<u>\$ (219,380)</u>	<u>\$ 300,499</u>	<u>\$ (236,888)</u>

The amounts above reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized as pension expense as follows as of June 30:

Year Ended June 30	2022	2021
2022		\$ 10,328
2023	\$ 55,238	9,361
2024	55,089	5,691
2025	55,659	296
2026	<u>67,618</u>	
	<u>\$ 233,604</u>	<u>\$ 25,676</u>

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE G – PENSION PLAN AND DEFERRED COMPENSATION PLAN (Continued)

Actuarial Assumptions: The total pension liabilities in actuarial valuations for the Plan was determined using the following actuarial assumptions at June 30:

	2022	2021
Valuation date	June 30, 2020	June 30, 2019
Measurement date	June 30, 2021	June 30, 2020
Actuarial cost method	Entry-Age Normal Cost Method	
Amortization method	Level percentage of payroll	
Asset valuation method	Market value	
Actuarial assumptions:		
Discount rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll growth	2.75%	2.75%
Projected salary increases	0.4% - 8.5% (1)	0.4% - 8.5% (1)
Investment rate of return	7.15%	7.15%
Mortality	CalPERS Table	CalPERS Table

(1) Depending on age, service and type of employment

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 actuarial experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website. All other actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study can be found on the CalPERS website under Forms and Publications.

Discount Rate: The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members will be made at the current member contribution rates and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) were developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class for the Plan for the years ended June 30. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE G – PENSION PLAN AND DEFERRED COMPENSATION PLAN (Continued)

Asset Class	2022			2021		
	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global equity	50.0%	4.80%	5.98%	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%	8.0%	6.30%	7.23%
Real estate	13.0%	3.75%	4.93%	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>			<u>100.0%</u>		

- (a) An expected inflation of 2.0% used for this period.
(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Authority’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2022	2021
1% decrease	6.15%	6.15%
Net pension (asset)/liability	\$ (24,874)	\$ 256,920
Current discount rate	7.15%	7.15%
Net pension (asset)/liability	\$ (280,297)	\$ 20,745
1% increase	8.15%	8.15%
Net pension (asset)/liability	\$ (491,451)	\$ (174,398)

Pension Plan Fiduciary Net Position: Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan: At June 30, 2022 and 2021, the Authority reported a payable of \$5,697 and \$5,563, respectively, for the outstanding amount of contributions to the Plan.

Deferred Compensation Plan: The Authority offers an Internal Revenue Code Section 457 deferred compensation plan, the CalPERS 457 Deferred Compensation Plan, to all permanent employees that are members of CalPERS. The plan is administered by CalPERS.

Benefit terms, including contribution requirements, are established and may be amended by the Board of Directors. The Authority is required to contribute \$200 per month for the Executive Director and \$100 per month for all other permanent employees. Employees are permitted to make contributions to the plan up to applicable Internal Revenue Code limits. Employees immediately vest in the Authority’s and their own contributions and earnings on those contributions. During the year ended June 30, 2022, the Authority contributed \$6,948 and \$7,200 and employees contributed \$33,600 and \$26,318, respectively.

NOTE H – OTHER POST-RETIREMENT BENEFITS

Plan Description: The Authority administers a single-employer defined benefit postemployment healthcare plan. Healthcare benefits are provided to eligible retirees and their dependents through the California Public Employees’ Retirement System healthcare program (PEMHCA). Benefit provisions are established and may be amended by the

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE H – OTHER POST-RETIREMENT BENEFITS (Continued)

Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. No prefunding contributions are being made to the Plan.

Benefits Provided: The Authority provides a retiree medical contribution for employees who retire within 120 days of separation from the Authority under CalPERS. The Authority’s yearly contribution is capped at the PEMHCA minimum employer contribution, which was \$1,788 and \$1,716 for the years ending June 30, 2022 and 2021. The benefit continues to surviving spouses and dependents. Retirees may select any retiree medical plan and coverage category offered by CalPERS, including spouse and family coverage, but must incur the cost of premiums exceeding the Authority’s contribution.

For employees hired by the Authority before January 1, 2013, upon retirement from Authority service, regular full-time or eligible part-time employees who have reached age fifty (50), have served a minimum of five (5) years of accumulated CalPERS service, may be eligible for benefits. For employees hired by the Authority on or after January 1, 2013, upon retirement from Authority service, regular full-time or eligible part-time employees who have reached age fifty-two (52), have served a minimum of five (5) years of continuous service with the Authority are eligible.

Employees Covered by Benefit Terms: As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Inactive participants with deferred benefits	2
Active employees	5
Total	7

Contributions: The Authority’s Board of Directors has the authority under the California Government Code to establish and amend contribution requirements. The Authority made implied subsidy contributions to the plan of \$3,516 and \$1,599 during the years ended June 30, 2022 and 2021, respectively.

Total OPEB Liability: The Authority's total OPEB liability at June 30, 2022 and 2021 was measured as of June 30, 2021 and 2020, and was determined by an actuarial valuation as of June 30, 2021 and 2019, respectively.

Actuarial Assumptions and Other Inputs: The total OPEB liability at the June 30, 2021 and 2020 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2022	2021
Valuation date	June 30, 2021	June 30, 2019
Measurement date	June 30, 2021	June 30, 2020
Actuarial cost method	Entry-age normal cost method	Entry-age normal cost method
Actuarial assumptions:		
Inflation	2.26%	2.26%
Salary increases	3.25%	3.25%
Discount rate	2.16%	2.21%
Mortality rate	CalPERS 2017 Experience Study	CalPERS 2017 Experience Study
Mortality improvement	Post-retirement mortality projected fully generational with Scale MP-2018.	Post-retirement mortality projected fully generational with Scale MP-2018.
Healthcare trend rate	7.6% for pre-65 and 5.7% for post-65 in 2023, decreasing to an ultimate rate of 4.0% in 2069	7.2% for pre-65 and 4.6% for post-65 in 2021, decreasing to an ultimate rate of 4.5% in 2032
Participation rate	100%	100%

The health care cost trend rate used the 2021 industry service data and used the 2022 Getzen model to project long term trend. The Plan has no assets. Consequently, the discount rate was based on the Bond Buyer 20-Bond General Obligation Index, an index of tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE H – OTHER POST-RETIREMENT BENEFITS (Continued)

Retirement mortality information was derived from data during 2017 CalPERS experience study. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

Changes in the Total OPEB Liability: The changes in the total OPEB liability for the Plan were as follows:

	2022		2021	
	Increase (Decrease)		Increase (Decrease)	
	Total OPEB Liability		Total OPEB Liability	
Balance at July 1	\$	115,155	\$	78,575
Changes during the year:				
Service cost		18,306		12,956
Interest		2,950		3,203
Differences between expected and actual experience		43,593		(895)
Changes in assumptions		9,854		21,316
Net change		74,703		36,580
Balance at June 30	\$	189,858	\$	115,155

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	2022			2021		
	Current			Current		
	1% Decrease	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase
	1.16%	2.16%	3.16%	1.21%	2.21%	3.21%
Net OPEB liability	\$ 232,884	\$ 189,858	\$ 156,327	\$ 135,733	\$ 115,155	\$ 98,512

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	2022			2021		
	Current			Current		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 149,000	\$ 189,858	\$ 244,596	\$ 94,898	\$ 115,155	\$ 141,309

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the years ended June 30, 2022 and 2021, the Authority recognized OPEB expense of \$28,642 and \$18,212. At June 30, 2022 and 2021, the Authority reported deferred outflows of resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 39,243	\$ (745)		\$ (820)
Changes in assumptions	29,800		\$ 23,057	
Total	\$ 69,043	\$ (745)	\$ 23,057	\$ (820)

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE H – OTHER POST-RETIREMENT BENEFITS (Continued)

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net OPEB liability in the following fiscal year. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years. All other amounts are recognized over the expected average remaining service lifetime (EARS�), which was 10.022 and 11.949 years at June 30, 2022 and 2021, respectively, as follows:

Year Ended June 30	2022	2021
2022		\$ 2,053
2023	\$ 7,386	2,053
2024	7,386	2,053
2025	7,386	2,053
2026	7,386	2,053
2027	7,386	2,053
Thereafter	31,368	9,919
	<u>\$ 68,298</u>	<u>\$ 22,237</u>

NOTE I – CONTINGENT LIABILITIES AND COMMITMENTS

Contingencies: The Authority has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the Authority believes such disallowance, if any, will be immaterial.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Authority’s operation and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on customers, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain.

Commitments: On August 19, 2019, the Authority entered into a four-year agreement with Storer Transit Systems to provide transit services through September 30, 2023. The amounts payable to Storer for the period of October 1, 2019 through September 30, 2023 will not exceed \$26,013,770, with \$8,393,307 of the maximum commitment remaining at June 30, 2022. This agreement, upon approval from the Authority, may be extended for up to two option terms of two years each for a maximum contract term of eight years through September 30, 2027.

Concentration: A significant amount of the Authority’s revenue is obtained under the Transportation Development Act (Local Transportation Fund and State Transit Assistance) and from the Federal Transit Administration. A significant reduction of these revenue sources would have a significant impact on the Authority’s operations.

NOTE J – OTHER STATE GRANTS

State of Good Repair: State of Good Repair (SGR) was established by the California Legislature in 2017 by Senate Bill 1. SGR provides public transportation agencies with a consistent and dependable revenue source to invest in the upgrade, repair, and improvement of the transportation infrastructure and improve transportation services. Sacramento Area Council of Governments (SACOG) has elected to treat these funds on a cost reimbursement basis. Unexpended SGR funds held by SACOG at June 30, 2022 and 2021 were \$905,350 and \$244,973, respectively. As of June 30, SGR funds received and expended were verified in the course of the audit as follows:

YUBA-SUTTER TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE J – OTHER STATE GRANTS (Continued)

	2022	2021
Beginning balance	\$ -	\$ -
SGR received	1,341	30,000
Expenses incurred:		
Surveillance system repairs	(1,341)	
Forklift		(30,000)
	\$ -	\$ -
Unexpended proceeds	\$ -	\$ -

LCTOP: The Low Carbon Transit Operations Program (LCTOP) was established by the California Legislature in 2014 by Senate Bill 862. The LCTOP provides funds to transit agencies to reduce greenhouse gas emission and improve mobility through operating and capital grants. Projects approved for LCTOP will support bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. The Authority received \$194,456 and \$338,142 of LCTOP funding for the programs in the tables below during the years ended June 30, 2022 and 2021. LCTOP funds received and expended were verified in the course of the audit as follows for the years ended June 30:

	2022					Total
	FY18/19 Enhanced Sac Com Peak Service	FY19/20 Connect Card Program	FY19/20 Targeted Fare Free Subsidies	FY19/20 Fare Free Events	FY20/21 Next Generation Transit Facility	
Beginning balance	\$ 227,387	\$ 76,075	\$ 183,743	\$ 24,720		\$ 511,925
LCTOP funds received					\$ 194,456	194,456
Changes in unspent interest	238	93	213	(51)	123	616
Expenses incurred:						
Enhanced Sacramento service	(151,378)					(151,378)
Targeted fare subsidies			(81,799)			(81,799)
Fare free events				(24,669)		(24,669)
Connect Card program		(23,321)				(23,321)
Unexpended proceeds, including interest	\$ 76,247	\$ 52,847	\$ 102,157	\$ -	\$ 194,579	\$ 425,830

	2021					Total
	FY17/18 Zero-Emissions Bus Changed to Yuba College Shuttle	FY18/19 Enhanced Sac Com Peak Service	FY19/20 Connect Card Program	FY19/20 Targeted Fare Free Subsidies	FY19/20 Fare Free Events	
Beginning balance	\$ 230,086	\$ 165,870				\$ 395,956
LCTOP funds received			\$ 100,000	\$ 196,000	\$ 42,142	338,142
LCTOP funds transferred in (out)	(229,836)	189,513		40,323		
Changes in unspent interest	(250)	639	124	340	51	904
Expenses incurred:						
Enhanced Sacramento service		(128,635)				(128,635)
Targeted Fare Subsidies				(52,920)		(52,920)
Fare free events					(17,473)	(17,473)
Connect Card program			(24,049)			(24,049)
Unexpended proceeds, including interest	\$ -	\$ 227,387	\$ 76,075	\$ 183,743	\$ 24,720	\$ 511,925

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE K – SUBSEQUENT EVENTS

Next Generation Zero-Emissions Project: On July 23, 2021, the Authority closed escrow on a 19.72 acre parcel of land at 6035 Avondale Avenue in Marysville, California for a new transit operations, maintenance, and administration facility using State Transit Assistance (STA) funds of \$903,377. The new Next Generation Zero-Emission Bus Operations, Maintenance, and Administration Facility Project (Project) will replace the existing transit facility and support a zero-emission public bus fleet conversion and future service expansion in the Yuba-Sutter bi-county area. The site also has sufficient space for solar power generation to meet the Project's energy needs and/or for other future co-developments, such as a mobility hub that could support multiple transportation modes, such as shared vehicles, vehicle charging, and bike or scooter sharing.

The preliminary year-of-expenditure cost estimate for final Project facility design, environmental assessment, construction, and battery electric bus (BEB) infrastructure is \$47.5 million. This estimate includes all items needed to move into the facility and operate the first electric buses. As additional electric buses are purchased, additional chargers will be installed. The Authority intends to fund the Project with a mix of federal, state, and local funds and has begun applying for funds at all levels. To date, the Authority has secured \$26.6 million in federal (\$16.3 million) and state (\$10.3 million) funds and has begun setting aside STA funds for this Project.

Yuba-Sutter Transit's current transit facility is a 60-year-old remodeled 7-Up Company bottling plant that is located on State Route (SR) 70 in Yuba County. This facility was purchased and transformed in 1996 into a transit maintenance, operations, and administration facility and then expanded in 2011 to its maximum capacity. Now operating near that capacity with no room for significant growth, the Project, originally scheduled for not earlier than 2030, is now under consideration for earlier implementation due to potential hindrance or displacement from a programmed and fully funded California Department of Transportation (Caltrans) SR 70 project.

The Authority's transit facility may be affected by the California Department of Transportation (Caltrans) SR 70 Binney Junction Roadway Rehabilitation and Complete Streets project to widen and improve SR 70. As currently designed, the Caltrans SR 70 project may require removal of the bus wash and service bays and/or reduction of the bus parking area and can critically impact on-site circulation and functionality. Any amount of loss to the small 3.2-acre transit facility will have a significant impact on transit operations, requiring the Authority to lease additional space or move its facility to a new location. The Caltrans project is now scheduled to begin in the Summer of 2023 with full construction to start in the Spring of 2024. Once design and impacts are known, any change in duration of use of the Authority's existing facility would be evaluated for any effect on the depreciable lives of the facility assets and/or reporting of impairment loss under GASB Statement No 42.

Additionally, the State of California Air Resources Board Innovative Clean Transit Regulation (2018) mandates that all public transit agencies begin to transition to a zero-emission bus (ZEB) fleet. For the Authority, this requires that a minimum 25% of all covered bus purchases be ZEBs starting in 2026, increasing to 100% in 2029.

Since the Authority is a small transit agency with limited funds, and given the impending displacement, it is essential for the Authority to invest in a new build-to-suit transit facility to continue current operations, support an all-ZEB fleet, and allow for future service expansion as demand warrants. In addition, the new facility will allow for the early adoption of ZEBs to significantly advance the environmental benefits of this State initiative.

Approval of Bus Purchase: In November 2021, the Board of Directors approved the purchase of six dial-a-ride buses with an assumed total price of \$960,000. Due to supply chain problems and related cost increases, this purchase is now anticipated to be around \$1,280,000. The Authority has secured \$709,449 of Federal formula funds, \$550,000 in State PTMISEA funds, and has State Transit Assistance fund available for the balance. The purchase is conditional until the procurement process is approved by Caltrans and grant agreements are executed.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022 and 2021

NOTE L – NEW PRONOUNCEMENTS

In May 2020, the GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). This Statement 1) defines the term SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs to a SBITA; and 4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITA are based on the standards established in Statement No. 87, Leases, as amended. This statement is effective for fiscal years beginning after June 15, 2022.

In June 2020, the GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. This Statement requires for the purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans, the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, Financial Reporting for Pension Plans, or paragraph 3 of Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

The Authority is currently analyzing the impact of these new Statements on the Authority's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

YUBA-SUTTER TRANSIT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION

For the Years Ended June 30, 2022 and 2021

SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - MISCELLANEOUS PLAN (UNAUDITED)
Last 10 Years

	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability at measurement date	-0.01476%	0.00049%	0.00917%	0.00898%	0.00903%	0.008904%	0.008949%	0.003920%
Proportionate share of the net pension (asset)/liability	\$ (280,297)	\$ 20,745	\$ 367,031	\$ 338,485	\$ 356,041	\$ 309,326	\$ 245,520	\$ 243,615
Covered payroll for measurement period	\$ 398,240	\$ 385,549	\$ 371,157	\$ 370,163	\$ 323,320	\$ 301,224	\$ 290,280	\$ 279,533
Proportionate share of the net pension liability as a percentage of covered payroll	-70.38%	5.38%	98.89%	91.44%	110.12%	102.69%	84.58%	87.15%
Plan fiduciary net position	\$ 2,214,866	\$ 1,753,922	\$ 1,312,693	\$ 1,225,636	\$ 1,075,838	\$ 959,081	\$ 923,112	\$ 876,269
Plan fiduciary net position as a percentage of the total pension liability	114.49%	98.83%	78.15%	78.36%	75.13%	75.61%	78.99%	78.25%
Notes to Schedule:								
Valuation date - June 30	2020	2019	2018	2017	2016	2015	2014	2013
Measurement date - June 30	2021	2020	2019	2018	2017	2016	2015	2014

Benefit changes: There were no changes to benefit terms.

Changes in assumptions:								
Change in discount rate	7.150%	7.150%	7.150%	7.150%	7.65%	7.65%	7.65%	7.50%

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN - MISCELLANEOUS PLAN (UNAUDITED)
Last 10 Years

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution during employer's fiscal year (actuarially determined)	\$ 41,171	\$ 37,935	\$ 65,976	\$ 58,912	\$ 51,091	\$ 45,090	\$ 40,421	\$ 42,571
Contributions in relation to the actuarially determined contributions	(41,171)	(37,935)	(424,303)	(58,912)	(51,091)	(45,090)	(40,421)	(42,571)
Contribution deficiency (excess)	\$ -	\$ -	\$ (358,327)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll for employer's fiscal year	\$ 411,661	\$ 398,240	\$ 385,549	\$ 371,157	\$ 370,163	\$ 323,320	\$ 301,224	\$ 290,280
Contributions as a percentage of covered payroll	10.00%	9.53%	17.11%	15.87%	13.80%	13.95%	13.42%	14.67%

Notes to Schedule:

Valuation date for contributions - June 30	2019	2018	2017	2016	2015	2014	2013	2012
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Methods and assumptions used to determine contribution rates:

Actuarial method	Entry age normal cost method							
Amortization method	Level percentage of payroll, closed							
Remaining amortization period	Varies, not more than 30 years							
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Inflation	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies depending on entry age and service							
Investment rate of return and discount rate used to compute contribution rates.	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age	50-67. Probabilities of retirement are based on the most recent CalPERS Experience Study.							
Mortality	Most recent CalPERS Experience Study.							

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Additional years will be added prospectively as they become available until 10 years are reported.

YUBA-SUTTER TRANSIT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

June 30, 2022

	2022	2021	2020
Service cost	\$ 18,306	\$ 12,956	\$ 11,483
Interest	2,950	3,203	2,770
Differences between expected and actual experience	43,593	(895)	
Assumption changes	9,854	21,316	4,213
Net change in total OPEB liability	74,703	36,580	18,466
Total OPEB liability - beginning	115,155	78,575	60,109
Total OPEB liability - ending	<u>\$ 189,858</u>	<u>\$ 115,155</u>	<u>\$ 78,575</u>

Notes to schedule:

Valuation date - June 30	2021	2019	2019
Measurement date - June 30	2021	2020	2019
Discount Rate	2.16%	2.21%	3.50%
Inflation	2.26%	2.26%	2.26%
Salary increases	3.25%	3.25%	3.25%
Healthcare trend:			
Initial rate			
Pre-65	7.60%	7.20%	7.20%
Post-65	5.70%	4.60%	4.60%
Trends down to	4.00%	4.50%	4.50%
Mortality	2017 CalPERS Study		
Participation percentage	100%	100%	100%

Benefit changes:

PEMHCA minimum payment per month:	\$ 149	\$ 143	\$ 139
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Note: No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2020. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

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COMPLIANCE REPORTS

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*, THE TRANSPORTATION
DEVELOPMENT ACT AND OTHER STATE PROGRAM GUIDELINES

To the Board of Directors
Yuba-Sutter Transit Authority
Marysville, 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 the Yuba-Sutter Transit Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 29, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 Authority'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.

Compliance and Other Matters (including State grant programs)

As part of obtaining reasonable assurance about whether the Authority'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. Our audit was further made to determine that Transportation Development Act (TDA) Funds allocated and received by the Authority were expended in conformance with the applicable statutes, rules and regulations of the TDA and Section 6667 of the California Code of Regulations. We also tested the receipt and appropriate expenditures of other state grant funds, as presented in Note J of the financial statements, in accordance with State grant program statutes and guidelines. 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 an instance of noncompliance or other matters described as Finding 2022-001 in the schedule of findings and responses that is required to be reported under *Government Auditing Standards*, the TDA or other state grant program requirements.

To the Board of Directors
Yuba-Sutter Transit Authority

The Authority's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 result of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards*, the TDA and State grant programs in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

November 29, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Yuba-Sutter Transit Authority
Marysville, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Yuba-Sutter Transit Authority's, (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2022. The Authority'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 Authority 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Authority 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 Authority'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 Authority's federal programs.

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 Authority'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 generally accepted auditing standards, *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

To the Board of Directors
Yuba-Sutter Transit Authority

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 Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Authority'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 Authority'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 Authority'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 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.

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.

Richardson & Company, LLP

November 29, 2022

YUBA-SUTTER TRANSIT AUTHORITY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Year Ended June 30, 2022

A. Summary of Auditor's Results

Financial Statements

- | | |
|---|---------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements under <i>Government Auditing Standards</i> noted? | Yes |

Federal Awards

- | | |
|--|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with Circular 2 CFR Section 200.516(a)? | No |

4. Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program</u>
20.507	Federal Transit Formula Grants

- | | |
|---|------------|
| 5. Dollar Threshold used to distinguish between Type A and Type B programs? | \$ 750,000 |
| 6. Auditee qualified as a low-risk auditee under 2 CFR Section 200.516(a)? | Yes |

B. Current Year Findings – Financial Statements

Internal Control Over Financial Reporting

None

YUBA-SUTTER TRANSIT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

For the Year Ended June 30, 2022

Compliance and Other Matters

Finding 2022-001

Criteria: According to Section 6634 of the California Code of Regulations, no operator shall be eligible to receive revenues during the fiscal year from the LTF and the STA Fund for operating or capital costs in an amount that exceeds its actual costs incurred in the fiscal year less the actual amount of fare revenues and federal grants received during the fiscal year. In addition, once an amount has been claimed for a particular purpose and has been approved by SACOG, the amount is required to be spent for the approved purpose unless an amended allocation is made under Section 6659 of the California Code of Regulations.

Condition: The Authority overclaimed transit operating funds by \$122,513 during the year ended June 30, 2022.

Effect: The amounts over-claimed resulted in excess net position that will need to be used for future expenses before additional TDA revenues are claimed.

Cause: The Authority's actual expenses, less depreciation, were less than budgeted.

Recommendation: We recommend the Authority work with SACOG during the claim process to reduce subsequent claims and/or reallocate the over-claimed amounts to other purposes as allowed under the TDA. We also recommend the Authority track unspent allocations and restrict fund balance for the purpose the unspent TDA revenues were claimed.

Management's Response: The Authority will ensure the excess funds are spent during the year ended June 30, 2023 and will ensure the TDA claim is adjusted to claim eligible expenses after considering the funds carrying over from the prior year.

C. Current year Findings and Questioned Costs – Federal Awards Programs

None

D. Prior Year Findings

None

YUBA-SUTTER TRANSIT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor, if Applicable/ Program Title/Grant or Pass-through Number	Federal Assistance Listing (AL) Number	Pass-through Entity Identifying Number/Grant Number	Expenses
U. S. Department of Transportation, Federal Transit Administration			
Federal Transit Formula Grants, Direct Program			
Section 5307 - CARES Act	20.507		\$ 2,693,010
Section 5307 - ARP Act	20.507		845,890
Total AL 20.507			<u>3,538,900</u>
Passed-through the California Department of Transportation			
Formula Grants for Rural Areas			
Section 5311 - CARES Act	20.509	64VO20-01054	250,000
Total AL 20.509			<u>250,000</u>
Total passed-through the State of California, Department of Transportation			<u>250,000</u>
Total U. S. Department of Transportation, Federal Transit Administration			<u>3,788,900</u>
TOTAL FEDERAL AWARDS			<u>\$ 3,788,900</u>

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

YUBA-SUTTER TRANSIT AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Yuba-Sutter Transit Authority 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 Authority's operations, it is not intended to be and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COSTS

The Authority did not charge indirect costs to its federal programs.

NOTE D – SUBRECIPIENTS

There were no subrecipients of the Authority's programs during the year ended June 30, 2022.



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MANAGEMENT LETTER

To the Board of Directors and Management
Yuba-Sutter Transit Authority
Marysville, California

In planning and performing our audit of the financial statements of the Yuba-Sutter Transit Authority (the Authority) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. 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.

We noted no matters that warrant consideration.

* * * * *

This communication is intended solely for the information and use of the Board of Directors, management and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Richardson & Company, LLP

November 29, 2022



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GOVERNANCE LETTER

Board of Directors
Yuba Sutter Transit Authority
Marysville, California

We have audited the financial statements of Yuba Sutter Transit Authority (the Authority) for the year ended June 30, 2022, and have issued our report thereon dated November 29, 2022. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to a member of the Board of Directors on September 22, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 21, 2020 our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to Schedule of the Proportionate Share of the Net Pension Liability and Schedule of Contributions to the Pension Plan, which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note A to the financial statements. The Authority implemented GASB Statement No. 87, Leases, but the Authority was determined to have an immaterial lease and waived recording the lease liability and related right to use asset. The application of existing policies was not changed during the year. We noted no transaction entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the determination of qualifying expenses incurred under grant agreements, which may be changed by the

grantor, the computation of the net pension other postretirement healthcare benefits (OPEB) liabilities and related deferred inflows and outflows, and the useful lives used to calculate depreciation on capital assets. Management's estimate of qualifying expenses incurred under grant agreements is based on management's understanding of the qualifying expenses under the agreements. The pension and OPEB liabilities are based on actuarial valuations and the lives of capital assets is based on past experience and Federal Transit Administration guidance. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures about the defined benefit pension plan, other post-retirement benefits, contingent liabilities and commitments and state grants described in notes G, H, I and J, respectively.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No audit adjustments were noted as a result of our audit. The attached schedule summarizes an uncorrected audit difference in the financial statements. Management believes the amount is immaterial to the financial statements as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 29, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these

discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to required supplementary information (RSI), as reported in the table of contents of the financial statements, the supplements the financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Richardson & Company, LLP

November 29, 2022

**YUBA-SUTTER TRANSIT AUTHORITY
SUMMARY OF UNADJUSTED DIFFERENCES
YEAR ENDED JUNE 30, 2022**

Description (Nature) of Audit Difference	Financial Statement Effect - Amount of Overstatement (Understatement) of:					
	Total Assets and Deferred Outflows	Total Liabilities and Deferred Inflows	Total Net Position	Net Loss from Operations	Net Income Before Capital Contributions	Total Change in Net Position
To record the LAIF fair value adjustment.	\$ 53,808		\$ 53,808		\$ 53,808	\$ 53,808
Net Unadjusted Audit Differences - This Year	53,808	-	53,808	-	53,808	53,808
Financial Statement Caption Totals	\$ 21,910,808	\$ 1,522,751	\$ 20,388,057	\$ (8,434,844)	\$ 1,855,936	\$ 2,943,975
Net Audit Differences as % of F/S Captions	0.25%	0.00%	0.26%	0.00%	2.90%	1.83%

AGENDA ITEM V – B
STAFF REPORT

YUBA-SUTTER NEXTGEN TRANSIT PLAN UPDATE

The Yuba-Sutter NextGen Transit Plan is at a phase where the data and feedback collected, and analysis completed, has been combined into a series of alternative service recommendations for review and discussion by the Yuba-Sutter Transit Board of Directors. These preliminary concepts include the potential reinvention and modernization of the local public transit system for what would be the most significant service change since the local fixed route system was reintroduced in January 1993. Due to the scope and nature of the concepts being considered, staff is recommending that a special meeting be set for 4:00 p.m. on Thursday, January 12, 2023, to provide adequate time for the Board to fully consider the concepts that are being considered.

At the special January 12th meeting, staff and the project team will share the preliminary service concepts in a workshop format for early policy and public feedback. This workshop will include a brief project update along with a detailed overview of the concepts that have been developed. The NextGen Transit Plan Policy Advisory Committee provided positive feedback on these concepts at their December 6th meeting and several members promised to seek additional input from their constituents prior to the anticipated Board workshop. The special board meeting will be promoted in the January issue of the passenger newsletter and the workshop agenda packet will be released by January 5th for public review and comment.

Following the January 12th workshop, draft service recommendations will be prepared for presentation and feedback at a public open house event on Thursday, February 16th. Just like the first open house event on October 20th, the February 16th event will be sandwiched around a regular meeting of the Yuba-Sutter Transit Board of Directors which will include a more formal presentation by the plan consultant. A preliminary draft plan incorporating the feedback from the earlier events and any additional public comment is expected to be presented for additional Board discussion and input at the March 16th meeting with a final draft presented for adoption consideration at the April 20th meeting.

Staff will be prepared at the meeting to discuss the Yuba-Sutter NextGen Transit Plan in detail.

RECOMMENDATION: Set a special meeting of the Yuba-Sutter Transit Board of Directors for Thursday, January 12, 2023 at 4:00 p.m. in the Yuba County Government Center.

AGENDA ITEM V – C
STAFF REPORT

APPOINTMENT OF AN AD HOC PERSONNEL/SEARCH COMMITTEE

In the absence of a quorum for the scheduled October 20th meeting, the Yuba-Sutter Transit Board of Directors met as a committee. During that meeting, staff reported that it is a best practice to periodically evaluate and review an organization's classification and compensation programs. The purpose of a classification and compensation study is to ensure that the organization can compete for and retain future employees; enhance employee job satisfaction and engagement; and develop a compensation structure that is fair and competitive. Such studies review internal alignments and external competitiveness with deliverables that may include new job descriptions; updated salary and benefit surveys of comparable agencies, and market-based recommendations.

Yuba-Sutter Transit has never conducted an organizational classification and compensation study with individual adjustments being made over time when new classifications are created or new staff are hired for the now five-member, four classification staff. Due to the lack of a recent comprehensive study and the pending retirement of the Executive Director, staff recommended the preparation of the first-ever Yuba-Sutter Transit classification and compensation study and had already requested a work plan, schedule, and cost estimate from Bryce Consulting. This firm has conducted similar studies for many local agencies including some of the member jurisdictions and they are familiar with Yuba-Sutter Transit having conducted the Program Manager classification and compensation study in 2013. In addition, they recently provided the job classifications, job descriptions and salary ranges for the two-member Regional Waste Management Authority (RWMA) staff. A quote of \$4,560 for this project was provided assuming the use of up to eight comparable transit agencies. With no objection from the committee, staff directed Bryce to proceed with the study which is now expected to be complete by the end of December.

To provide early Board input on the resulting study recommendations and to guide the related Executive Director search process, staff is now requesting the appointment of an ad hoc personnel/search committee. The first duty of this committee will be to review the classification and compensation study in early January and make specific personnel and Executive Director recruitment recommendations for Board consideration at the January 19th meeting. To assist in this critical effort, the Yuba County Department of Human Resources has graciously agreed to conduct this recruitment and provide related professional advice on a time and materials basis. Both counties have provided similar support over the years with Sutter County having assisted in the RWMA staff recruitment process this year.

Staff will be prepared to discuss this issue in more detail at the meeting.

RECOMMENDATION: Appoint an ad hoc committee as proposed.

AGENDA ITEM V – D
STAFF REPORT

FIRST QUARTER FY 2023 BUDGET REPORT

FY 2023 Budget Background

The adopted FY 2023 Yuba-Sutter Transit operating budget of \$8,855,000 represented a 6.6 percent increase (\$543,800) over the budgeted amount for FY 2022. The primary basis of the current year budget was an estimated 80,300 vehicle service hours (VSH) which was 7.0 percent more than the originally projected year-end figure of 75,000 VSH for FY 2022. That increase assumed a gradual recovery from the pandemic, driven primarily by an increase in the number of Dial-A-Ride hours being operated in anticipation of local day-programs resuming in-person programs at reduced attendance levels. For comparison, the budgeted 80,300 VSH would still be 12,271 less (13.3 percent) than the 92,571 VSH that were operated in the last pre-pandemic fiscal year (FY 2019).

In addition to the various cost impacts of the projected VSH increase (labor, fuel, tires, and vehicle repairs), other significant expense considerations in the FY 2023 budget included the annual adjustment in the Storer Transit Systems operating contract and the expected completion of the Comprehensive Operational Analysis (COA). The largest share of the operating budget was related to the operating contract with Storer Transit Systems which accounts for 70 percent (\$6,182,000) of the operating budget. The next highest line items are for fuel and administrative staffing expenses (salaries and benefits) at about 13.5 and 7 percent of the budget respectively, but fuel is typically the most volatile expense item as prices can change significantly over a year.

Significant revenue assumptions in the FY 2023 operating budget included exhaustion of the federal American Rescue Plan (ARP) COVID-19 pandemic relief funding to off-set revenue losses; slowly growing systemwide ridership and fare revenue; continuation of the staff consulting agreement with the Regional Waste Management Authority (RWMA) on a month to month basis through FY 2023; continued funding from the Feather River Air Quality Management District (FRAQMD) for the discount monthly pass program; continued shift of State Transit Assistance (STA) revenue to capital reserves; and the Caltrans planning grant for the COA. Based on these and other assumptions, the combined Local Transportation Fund (LTF) contribution from the member jurisdictions was set at \$3.9 million for FY 2023.

First Quarter FY 2023 Budget To Actual Comparison

Attached for Board review and discussion is the Yuba-Sutter Transit Operating and Capital Budget to Actual Comparison for the First Quarter of FY 2023 (July – September 2022). As shown, first quarter operating expenses for FY 2023 were 24 percent of the adopted budget. Contract service costs, which represent about three-quarters of all budgeted expenses, were at 23 percent of the budgeted amounts due in part to the operation of 8.79 percent less than the number of budgeted VSH. At 23 percent of the budgeted amount, fuel prices continue to soar as first quarter fuel expenses were up 47.9 percent over the same quarter in FY 2022. Another noteworthy first quarter line item is tire expenses at 32 percent of the amount budgeted due to both increased tire prices and the timing of purchases. Other variances are the result of timing and are expected to smooth out over FY 2023.

Nearly all key revenue source variances are a result of timing and overall are 24 percent of the operating revenue budget. The most significant revenue variance is the combined regular and ARP federal Section 5307 funds at 37 percent of the budgeted amount which results from how the pandemic relief funds are applied. State Cash Grants/Reimbursements were at 47 percent due to the timing of the Caltrans planning grant for the COA (see also related expenditures in Miscellaneous Professional Services) and Non-Transportation Revenue is at 49 percent due to contracted revenue earned from the RWMA due to unanticipated delays in the transition to direct RWMA staffing. These accounts are expected to smooth out over the remainder of FY 2023. First quarter passenger fares were at 27 percent of the amount budgeted. Interest is well over budget due to the timing and availability of funds as well as nearly \$1,900 due to interest earned on LCTOP money market accounts for projects that have either completed or changed the order of revenue recognition to apply interest to expenditures before applying grant funds.

Capital expenditures in the first quarter are for the FY 2022 budgeted surveillance system repair and enhancement project (project) using California State of Good Repair (SGR) and STA funds that was completed in July 2022. When the FY 2023 budget was adopted in May, it was assumed that this project would be complete by the end of June 2022.

FY 2023 Budget Outlook

Despite continued high fuel prices, overall operating expenses are likely to remain below the amount budgeted primarily due to the operation of less than the expected number of service hours at least through the second quarter of FY 2023. Key operating revenues are likely to continue running at or slightly over budget through the second quarter of FY 2023.

Capital expenditures through the end of the fiscal year include the replacement of six 2014 model demand response/rural route buses. Budgeted at \$960,000, this cost is now expected to increase to approximately \$1,259,449 (\$709,449 Federal / \$550,000 PTMISEA) due to higher than anticipated vehicle costs and a change in the type of vehicle. Additional capital expenditures related to the new transit facility through FY 2023 remain uncertain due to timing and funding issues.

Staff is now seeking Board comments, questions, and suggestions regarding the format and content of this quarterly budget to actual comparison. This financial reporting process will continue with another quarterly budget to actual comparison at the February meeting which will also include a preview of the FY 2024 budget.

Staff will be prepared at the meeting to discuss the above issues in detail as desired.

RECOMMENDATION: Information only.

Attachment: First Quarter Operating & Capital Budget to Actual Comparison for FY 2023

YUBA-SUTTER TRANSIT AUTHORITY
FY 2022/2023 OPERATING BUDGET - 1ST QUARTER BUDGET TO ACTUAL COMPARISON

Updated December 8, 2022

		FY 2020/2021 Budget	FY 2020/2021 Audited	FY 2021/2022 Budget	FY 2021/2022 Audited	FY 2022/2023 Budget	FY 2022/2023 1st Quarter Actual	FY 2022/2023 % of Budget
Operations Expenditures								
010.50300	Services - Other Maintenance	\$ 200,000	\$ 169,776	\$ 200,000	\$ 207,736	\$ 220,000	\$ 53,184	24%
010.50401	Fuel and Lubricants	596,000	499,026	680,000	840,523	1,193,000	275,865	23%
010.50402	Tires and Tubes	57,000	42,043	51,000	77,136	75,000	24,315	32%
010.50499	Other Materials and Supplies Consumed	90,000	94,826	100,000	53,095	75,000	23,260	31%
010.50500	Utilities - Electric and Gas	52,000	45,439	52,000	49,038	52,000	17,334	33%
010.50501	Utilities - Water and Sewer	6,500	7,296	9,000	7,671	9,000	1,952	22%
010.50600	Casualty and Liability Costs - Operations	270,500	270,402	280,100	280,041	287,000	70,701	25%
010.50800	Services - Contract Operations	5,780,000	5,435,685	5,883,000	5,474,770	5,850,000	1,366,697	23%
010.50801	Services - Out of Contract	17,000	106,663	120,000	68,965	45,000	3,822	8%
	Subtotal - Operations	\$ 7,069,000	\$ 6,671,156	\$ 7,375,100	\$ 7,058,975	\$ 7,806,000	\$ 1,837,130	24%
Administration Expenditures								
160.50102	Salaries and Wages - Admin. Staff	\$ 411,000	\$ 413,008	\$ 433,500	\$ 429,259	455,000	\$ 111,342	24%
160.50200	Fringe Benefits - Admin. Staff	155,000	148,556	160,000	158,510	175,000	42,340	24%
160.50201	Fringe Benefits - Unfunded CalPERS Liability Payments	-	-	2,300	2,314	3,800	3,793	100%
160.50301	Services - Accounting	3,000	4,300	4,500	3,827	4,800	604	13%
160.50302	Services - Legal	12,000	8,573	12,000	6,804	12,000	981	8%
160.50303	Services - Printing and Copying	20,000	11,929	20,000	15,772	20,000	3,015	15%
160.50309	Services - Miscellaneous Professional	170,000	131,108	200,000	142,406	285,000	115,325	40%
160.50499	Materials and Supplies - Office & Postage	16,000	7,732	15,000	6,063	10,000	1,958	20%
160.50502	Utilities - Telephone & Internet	10,000	8,104	9,000	8,295	9,000	2,121	24%
160.50900	Miscellaneous Expense - Insurance and Bond	36,000	31,546	37,000	31,821	37,000	39,857	108%
160.50901	Miscellaneous Expense - Dues & Subscriptions	5,000	5,843	6,000	5,608	6,000	485	8%
160.50902	Miscellaneous Expense - Travel, Meetings and Training	5,000	2,398	5,000	3,904	5,000	500	10%
160.50903	Miscellaneous Expense - Board of Directors	5,000	4,400	10,800	5,650	10,400	1,900	18%
160.50904	Miscellaneous Expense - Media Adv. and Promo.	10,000	10,330	15,000	9,383	10,000	1,366	14%
160.50909	Miscellaneous Expense - Other	6,000	2,329	6,000	2,729	6,000	1,326	22%
	Subtotal - Administration	\$ 864,000	\$ 790,156	\$ 936,100	\$ 832,345	\$ 1,049,000	\$ 326,913	31%
	Total Expenditures	\$ 7,933,000	\$ 7,461,312	\$ 8,311,200	\$ 7,891,320	\$ 8,855,000	\$ 2,164,043	24%

		FY 2020/2021 Budget	FY 2020/2021 Audited	FY 2021/2022 Budget	FY 2021/2022 Audited	FY 2022/2023 Budget	FY 2022/2023 1st Quarter Actual	FY 2022/2023 % of Budget
Operating Revenue								
40100	Passenger Fares	\$ 120,000	\$ 513,940	\$ 550,000	\$ 699,559	\$ 742,000	\$ 199,535	27%
40200	Special Transit Fares	17,000	22,032	21,000	63,397	25,000	2,130	9%
40600	Auxiliary Revenue (Bus, Shelter & Bench Advertising)	42,000	38,773	36,000	46,979	40,000	9,000	23%
40700	Non-Transportation Revenue (Interest)	15,000	15,392	8,000	17,076	8,000	14,958	187%
40709	Non-Transportation Revenue (RWMA, Misc.)	36,000	49,513	40,000	68,864	50,000	24,474	49%
40900	Local Transportation Funds (LTF)	2,800,000	2,651,032	3,100,000	2,961,752	3,900,000	910,367	23%
40901	Local Cash Grants/Reimbursements	35,000	35,538	28,000	34,632	39,000	10,179	26%
41100	State Transit Assistance Funds (STA)	-	-	-	-	1,375,483	-	0%
41109	State Cash Grants/Reimbursements	289,000	215,292	288,000	210,161	248,000	115,883	47%
41300	General Operating Assistance - FTA Sect. 5307 (Urban)	-	-	-	-	1,500,000	100,000	7%
41300	General Operating Assistance - FTA Sect. 5307 CARES Act (Urban)	4,284,000	3,673,115	2,693,010	2,693,010	-	-	
41300	General Operating Assistance - FTA Sect. 5307 ARP (Urban)	-	-	1,297,190	845,890	727,517	727,517	100%
41301	General Operating Assistance - FTA Sect. 5311 (Rural)	-	84,240	-	-	200,000	50,000	25%
41301	General Operating Assistance - FTA Sect. 5311 CARES Act (Rural)	295,000	162,445	250,000	250,000	-	-	
Total Operating Revenue		<u>\$ 7,933,000</u>	<u>\$ 7,461,312</u>	<u>\$ 8,311,200</u>	<u>\$ 7,891,320</u>	<u>\$ 8,855,000</u>	<u>\$ 2,164,043</u>	<u>24%</u>

	FY 2020/2021 Budget	FY 2020/2021 Audited	FY 2021/2022 Budget	FY 2021/2022 Audited	FY 2022/2023 Budget	FY 2022/2023 1st Quarter Actual
Deferred TDA Revenues, July 1	\$ 3,979,359	\$ 4,048,639	\$ 4,014,005	\$ 5,145,965	4,204,813	\$ 4,343,061
LTF Revenues Received	2,800,000	2,800,000	3,100,000	3,100,000	3,900,000	3,100,000
STA Revenues Received	1,602,620	966,676	1,216,354	-	-	-
LTF Revenues Allocated - Operating	(2,800,000)	(2,651,032)	(3,100,000)	(2,961,752)	(3,900,000)	(910,367)
STA Revenues Allocated - Operating	-	-	-	-	(1,375,483)	-
LTF Revenues Allocated For Local Capital Outlays	-	-	-	-	-	-
STA Revenues Allocated For Local Capital Outlays	(40,000)	(18,318)	(1,346,477)	(941,152)	(351,948)	(5,163)
Proceeds from Sale of Vehicles	-	-	-	-	-	-
Deferred TDA Revenues, June 30*	<u>\$ 5,541,979</u>	<u>\$ 5,145,965</u>	<u>\$ 3,883,882</u>	<u>\$ 4,343,061</u>	<u>\$ 2,477,382</u>	<u>\$ 6,527,531</u>
Local Transportation Funds (LTF)	\$ 1,323,283	\$ 1,516,352	\$ 1,367,384	\$ 1,654,600	\$ 1,516,352	\$ 3,844,233
State Transit Assistance Funds (STA)	\$ 4,218,696	\$ 3,629,613	\$ 2,516,498	\$ 2,688,461	\$ 961,030	\$ 2,683,298

Deferred STA Detail (Carryover revenues available and required for cash flow, contingencies, and local capital match)

Yuba-Sutter Transit Portion	\$ 4,000,466	\$ 3,454,480	\$ 2,341,365	\$ 2,513,328	\$ 917,497	\$ 2,542,551
City of Live Oak Portion	152,737	122,363	122,363	122,363	16,363	94,763
City of Wheatland Portion	65,493	52,770	52,770	52,770	27,170	45,984
Total Deferred STA Revenue	<u>\$ 4,218,696</u>	<u>\$ 3,629,613</u>	<u>\$ 2,516,498</u>	<u>\$ 2,688,461</u>	<u>\$ 961,030</u>	<u>\$ 2,683,298</u>

Additional STA Cumulative Balances at SACOG Available for Claim

Yuba-Sutter Transit Portion	\$ 1,494,755	\$ 2,851,824	\$ 3,664,290
City of Live Oak Portion	\$ 78,094	\$ 147,274	\$ 189,302
City of Wheatland Portion	\$ 30,907	\$ 59,281	\$ 76,240

YUBA-SUTTER TRANSIT AUTHORITY
CAPITAL BUDGET - 1ST QUARTER BUDGET TO ACTUAL COMPARISON
FY 2022/2023
UPDATED DECEMBER 8, 2022

	FY 2021/2022 BUDGET	FY 2021/2022 AUDITED	FY 2022/2023 BUDGET	FY 2022/2023 1ST QTR ACTUAL	FY 2022/2023 % OF BUDGET
<u>EXPENDITURES</u>					
Maintenance and Operations Facility (1)	\$ 1,217,000	\$ 941,152	\$ 2,500,000	\$ -	0.00%
Vehicle Purchase/Replacement (2)	570,000	-	960,000	-	0.00%
Miscellaneous Capital (3)	100,000	1,341	50,000	78,822	157.64%
	<u>\$ 1,887,000</u>	<u>\$ 942,493</u>	<u>\$ 3,510,000</u>	<u>\$ 78,822</u>	<u>2.25%</u>
<u>REVENUES</u>					
Federal (5307, 5310, 5311, 5317, 5339)	\$ 490,523	\$ -	\$ 2,037,569	\$ -	
State Transit Assistance (STA)	1,346,477	941,152	351,948	5,163	1.47%
State Transit Assistance (SGR)	50,000	1,341	1,120,483	73,659	6.57%
Low Carbon Transit Operation Program	-	-	-	-	
Other Local	-	-	-	-	
	<u>\$ 1,887,000</u>	<u>\$ 942,493</u>	<u>\$ 3,510,000</u>	<u>\$ 78,822</u>	<u>2.25%</u>

Notes:

- The FY 2023 budget assumes the commencement of the design phase of the facility project in FY 2023 (\$1,328,120 Federal / \$968,802 State SGR / \$203,078 STA). FY 2022 expenditures include \$941,152 (STA) for the completion of the land purchase including capitalized survey and land clearing expenses.
- The FY 2023 vehicle project, which was first identified in FY 2021 for funding purposes, is for the programmed replacement of six 2014 model demand response/rural route buses with six similarly sized low-floor buses for delivery in FY 2023 (budgeted \$960,000: \$709,449 Federal / \$151,681 State SGR / \$98,870 STA; now projected: \$1,259,449: \$709,449 Federal / \$550,000 PTMISEA) for delivery in FY 2023.
- FY 2023 miscellaneous capital expenditures budget includes an allowance for facility and office equipment and furnishings (\$50,000 STA). 1st quarter actual expenditures includes the completion of the FY 2022 surveillance system repairs and enhancement project (\$73,659 State SGR / \$5,163 STA), which began in FY 2022 (\$1,341 State SGR).

AGENDA ITEM V – E
STAFF REPORT

FIRST QUARTER PERFORMANCE REPORT

Attached is the systemwide performance report for the services operated by Yuba-Sutter Transit for the first quarter of FY 2023 (July 2022 through September 2022) presented in comparison with the performance for the same period in the previous fiscal year. Because FY 2021 was the first full fiscal year for the COVID-19 pandemic that started locally in March 2020, this quarterly report is the start of the third full fiscal year (FY 2023) and well illustrates the extent to which service and ridership levels are recovering (or not) from the extended impacts of the pandemic. It is important to note for this comparison that the Oroville Employee Shuttle service that was operated primarily for Pacific Coast Producers, Inc. operated for just six weeks during the first quarter of FY 2022.

For perspective, systemwide ridership had stabilized a bit near the end of FY 2021 from the initial pandemic-induced collapse, but ridership improved significantly in FY 2022 ending up 29 percent over FY 2021. While this encouraging growth trend continued through the first quarter of FY 2023, the 121,989 systemwide passenger trips were just 52 percent of the 234,266 passenger trips that were provided in first quarter of FY 2019 (the last full pre-pandemic fiscal year) so there is still plenty of room for growth. Yuba-Sutter Transit's pandemic recovery rate generally mirrors that of other transit systems whether regionally or across the country especially when comparing similar services as local services have responded much better than commuter services.

Despite the increase in ridership, the number of vehicle service hours (VSH) operated systemwide was still down 3.7 percent compared to the same period in FY 2022. Three-fifths of this reduction in service hours was due to the absence of the Oroville service with most of the remainder due to a reduced amount of Dial-A-Ride service as most adult day programs are either closed or operating at reduced attendance levels. With higher ridership and fewer service hours, all systemwide financial indicators improved significantly in the first quarter of FY 2023 even with the fare subsidy that was provided by Pacific Coast Producers for the employee shuttle in the first quarter of FY 2022.

Looking forward, while the positive systemwide month-over-month trend is expected to continue, ridership is still likely to remain well below pre-pandemic levels through FY 2023 and beyond. This is based on both how far ridership dropped and the continued uncertainty as to the timing and extent of the return to classrooms, offices, medical offices, and support programs as well as how many will use public transit to get there after not doing so for well over three years.

Staff will be prepared to discuss the performance summary in detail at the meeting.

RECOMMENDATION: Information only.

**QUARTERLY PERFORMANCE REPORT
FIRST QUARTER 2022-2023**

	Passenger Trips	Vehicle Serv. Hours	Pass. Trips Per VSH	Est. Fare Revenue	Fare Rev. Per VSH	Est. Farebox Ratio
Fixed Route:						
July 2022 - Sept 2022	103,798	11,027.11	9.41	\$89,202	\$8.09	7.4%
July 2021 - Sept 2021	92,316	11,046.26	8.36	\$94,420	\$8.55	9.0%
Percent Change	12.4%	-0.2%	12.6%	-5.5%	-5.4%	-18.3%
Dial-A-Ride:						
July 2022 - Sept 2022	7,519	3,944.68	1.91	\$15,742	\$3.99	3.6%
July 2021 - Sept 2021	6,970	4,272.27	1.63	\$14,975	\$3.51	3.7%
Percent Change	7.9%	-7.7%	16.8%	5.1%	13.8%	-1.7%
Sacramento Services (Commuter & Middyay):						
July 2022 - Sept 2022	9,528	2,711.89	3.51	\$49,070	\$18.09	16.4%
July 2021 - Sept 2021	6,518	2,658.67	2.45	\$36,376	\$13.68	14.4%
Percent Change	46.2%	2.0%	43.3%	34.9%	32.3%	14.2%
Foothill Route:						
July 2022 - Sept 2022	347	256.99	1.35	\$284	\$1.10	1.0%
July 2021 - Sept 2021	168	261.49	0.64	\$173	\$0.66	0.7%
Percent Change	106.5%	-1.7%	110.2%	64.3%	67.2%	44.4%
Live Oak Route:						
July 2022 - Sept 2022	757	230.99	3.28	\$645	\$2.79	2.5%
July 2021 - Sept 2021	496	215.60	2.30	\$653	\$3.03	3.2%
Percent Change	52.6%	7.1%	42.5%	-1.1%	-7.7%	-20.3%
Wheatland Route:						
July 2022 - Sept 2022	40	139.10	0.29	\$44	\$0.31	0.3%
July 2021 - Sept 2021	34	128.49	0.26	\$32	\$0.25	0.3%
Percent Change	17.6%	8.3%	8.7%	38.1%	27.6%	10.2%
Oroville Shuttle Service:						
July 2022 - Sept 2022	0	0	0.00	\$0	\$0.00	0.0%
July 2021 - Sept 2021	1,975	427.39	4.62	\$46,680	\$109.22	115.0%
Percent Change	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Systemwide Summary:						
July 2022 - Sept 2022	121,989	18,310.76	6.66	\$201,665	\$11.01	10.0%
July 2021 - Sept 2021	108,477	19,010.17	5.71	\$146,628	\$7.71	7.7%
Percent Change	12.5%	-3.7%	16.8%	37.5%	42.8%	29.8%

Notes:

1. All financial calculations are estimates pending final fiscal audits.