



SunLine Transit Agency  
October 23, 2019  
11:20 a.m.-11:50 a.m.

## AGENDA

### FINANCE/AUDIT COMMITTEE

Wellness Training Room  
32-505 Harry Oliver Trail  
Thousand Palms, CA 92276

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting at SunLine Transit Agency's Administration Building, 32505 Harry Oliver Trail, Thousand Palms, CA 92276 and on the Agency's website, [www.sunline.org](http://www.sunline.org).

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (760) 343-3456 if special assistance is needed to participate in a Board meeting, including accessibility and translation services. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

#### ITEM

#### RECOMMENDATION

1. CALL TO ORDER
2. ROLL CALL
3. PRESENTATIONS
4. FINALIZATION OF AGENDA
5. PUBLIC COMMENTS

RECEIVE COMMENTS

#### **NON AGENDA ITEMS**

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person's presentation is limited to a maximum of three (3) minutes.

<b><u>ITEM</u></b>	<b><u>RECOMMENDATION</u></b>
<b>6. COMMITTEE MEMBER COMMENTS</b>	<b>RECEIVE COMMENTS</b>
<b>7. CONSENT CALENDAR</b>	<b>RECEIVE &amp; FILE</b>
<p>All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Board Member requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.</p>	
7a) Checks \$1,000 and Over Report for August 2019	(PAGE 3-7)
7b) Credit Card Statement for August 2019	(PAGE 8-11)
7c) Monthly Budget Variance Report for August 2019	(PAGE 12-18)
7d) Contracts Signed in Excess of \$25,000 September 2019	(PAGE 19-20)
7e) Union & Non-Union Pension Investment Asset Summary September 2019	(PAGE 21-24)
7f) Quarterly Capital Project Update for 3rd Quarter 2019	(PAGE 25-27)
7g) Ridership Report for September 2019	(PAGE 28-30)
7h) SunDial Operational Notes for September 2019	(PAGE 31-34)
7i) Metrics for September 2019	(PAGE 35-46)
7j) Board Member Attendance for September 2019	(PAGE 47-48)
<b>8. FY19 ANNUAL FINANCIAL AND SINGLE AUDIT REPORT UPDATE</b> (Staff: Luis Garcia, Deputy Chief Financial Officer)	<b>INFORMATION</b> (PAGE 49)
<b>9. FOLLOW-UP REGARDING FINANCE/AUDIT COMMITTEE QUESTIONS ON SUNLINE PENSION PLAN</b> (Staff: Luis Garcia, Deputy Chief Financial Officer)	<b>DISCUSSION</b> (PAGE 50-51)
<b>10. ADJOURN</b>	

**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Checks \$1,000 and Over Report for August 2019

Summary:

The checks \$1,000 and over report lists all of the checks processed at the Agency with a value of over \$1,000 for a given month. Items identified in bold font represent "pass through" payments that were, or will be, reimbursed to SunLine under the provisions of specific grants or contracts. Items identified with underlines represent "shared" payments with SunLine and specific vendors/employees.

- For the month of August, the largest payment issued was to PERMA for payment of General Liability & Workers Comp Insurance Premiums.

Recommendation:

Receive and file.

**SunLine Transit Agency  
Checks \$1,000 and Over  
For the month of August 2019**

NOTE: 1). Bold check payments represent "pass through" payments that were, or will be reimbursed to SunLine under the provisions of specific grants or contracts. 2). Underlined check payments represent "shared" payments with SunLine and specific vendors/employees.

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
PERMA - INSURANCE	Gen Liability/WC Prem	680038	08/09/2019	158,464.00
<b>NEL HYDROGEN INC.</b>	<b>WIP- Hydrogen Electric Hybrid FCB &amp; Station</b>	<b>680170</b>	<b>08/27/2019</b>	<b>137,500.00</b>
<u>U.S. BANK INSTITUTIONAL TRUST-WESTERN</u>	<u>Pension Deposit</u>	<u>680186</u>	<u>08/27/2019</u>	<u>102,358.11</u>
<u>U.S. BANK INSTITUTIONAL TRUST-WESTERN</u>	<u>Pension Deposit</u>	<u>680134</u>	<u>08/16/2019</u>	<u>101,749.60</u>
<b>PLANET SOLAR, INC.</b>	<b>WIP- Admin Building Solar Carports Phase 2</b>	<b>679988</b>	<b>08/06/2019</b>	<b>95,000.00</b>
<b>PLANET SOLAR, INC.</b>	<b>WIP- Admin Building Solar Carports Phase 2</b>	<b>680117</b>	<b>08/16/2019</b>	<b>75,466.47</b>
ELEMENT MARKETS RENEWABLE ENERGY, LLC	Utilities	680214	08/30/2019	57,086.18
MICHELIN NORTH AMERICA, INC.	Tire Leasing Service	679950	08/02/2019	52,094.03
TRAPEZE SOFTWARE GROUP INC.	Computer Network Software Agmt - (OPS)	679971	08/02/2019	49,879.00
<b>NEW FLYER OF AMERICA INC.</b>	<b>WIP- Hydrogen Electric Hybrid FCB &amp; Station</b>	<b>680232</b>	<b>08/30/2019</b>	<b>49,360.00</b>
TRAPEZE SOFTWARE GROUP INC.	Computer Network Software Agmt -( PASS/FX Blockbuster)	679970	08/02/2019	45,953.00
SO CAL GAS CO.	Utilities	680123	08/16/2019	41,320.17
CUMMINS SALES AND SERVICE	Inventory Repair Parts	680204	08/30/2019	36,762.75
<u>THE GUARDIAN LIFE INSURANCE COMPANY</u>	<u>Employee Benefits/ LTD/STD/LIFE Ins Prem</u>	<u>680184</u>	<u>08/27/2019</u>	<u>33,152.11</u>
TRAPEZE SOFTWARE GROUP INC.	Computer Network Software Agmt-(PLAN/OPS/FX Blockbuster)	679989	08/06/2019	32,235.00
IMPERIAL IRRIGATION DIST	Utilities	680024	08/09/2019	28,045.39
REMIX SOFTWARE, INC.	Computer Network Software Agmt	679962	08/02/2019	23,500.00
TK SERVICES, INC.	Inventory Repair Parts	680058	08/09/2019	23,334.87
VAVRINEK, TRINE, DAY & CO., LLP	Financial Audit Services	679973	08/02/2019	22,940.00
<b>WSP USA INC.</b>	<b>Vanpool Program</b>	<b>680139</b>	<b>08/16/2019</b>	<b>20,588.06</b>
NFI PARTS	Inventory Repair Parts	680244	08/30/2019	20,408.91
NEOGOV	Recruiting Employees	680020	08/09/2019	17,953.00
NFI PARTS	Inventory Repair Parts	680052	08/09/2019	17,701.54
<b>DESERT PARADISE CONSTRUCTION, LLC</b>	<b>WIP-OPS/Admin Building/Zero Emissions Maint Facility</b>	<b>680009</b>	<b>08/09/2019</b>	<b>17,100.00</b>
KRAUTHAMER & ASSOCIATES LLC	Recruiting Employees	680104	08/16/2019	16,667.00
MURCHISON & CUMMING, LLP	Insurance Loss	679952	08/02/2019	16,236.88
<b>VEHICLE TECHNICAL CONSULTANTS, INC.</b>	<b>WIP- Tircp (4) Electric Buses</b>	<b>680065</b>	<b>08/09/2019</b>	<b>16,000.00</b>
TEC OF CALIFORNIA, INC.	Inventory Repair Parts	680126	08/16/2019	15,832.92
THE LEFLORE GROUP LLC	Consulting Services	680241	08/30/2019	14,275.80
BURKE, WILLIAMS & SORENSEN, LLP	Legal Services	679997	08/09/2019	13,498.21
NAPA AUTO PARTS	Inventory Repair Parts	679979	08/06/2019	13,173.03
BRIGHT MOMENTS	Consulting Services	679977	08/06/2019	11,452.50
MEDICAL TRANSPORTATION MANAGEMENT	Employee Development Program	680167	08/27/2019	9,894.57
HEPTAGON SEVEN CONSULTING, INC.	Consulting General	680162	08/27/2019	9,737.58
BRIGHT MOMENTS	Consulting Services	680215	08/30/2019	9,562.50
CUMMINS SALES AND SERVICE	Inventory Repair Parts	680086	08/16/2019	9,360.86
VERIZON WIRELESS	Wireless Telephone Service	680137	08/16/2019	9,330.98
ANTHONY CARTER	Consulting Services	680143	08/27/2019	8,960.00
<b>ZEN AND THE ART OF CLEAN ENERGY</b>	<b>WIP- Hydrogen Fueling Station</b>	<b>680140</b>	<b>08/16/2019</b>	<b>8,887.50</b>

**SunLine Transit Agency  
Checks \$1,000 and Over  
For the month of August 2019**

NOTE: 1). Bold check payments represent "pass through" payments that were, or will be reimbursed to SunLine under the provisions of specific grants or contracts. 2). Underlined check payments represent "shared" payments with SunLine and specific vendors/employees.

<b>Vendor Filed As Name</b>	<b>Description</b>	<b>Check #</b>	<b>Payment Date</b>	<b>Payment Amount</b>
NAPA AUTO PARTS	Inventory Repair Parts	680107	08/16/2019	8,427.46
ADVANCED WEB OFFSET, INC.	Printing Expense	680141	08/27/2019	8,149.13
HD INDUSTRIES	Inventory Repair Parts	680021	08/09/2019	7,350.45
KELLERMEYER BERGENSONS SERVICES, LLC	Janitorial Services	680227	08/30/2019	7,240.00
<b>ASCI SECURITY</b>	<b>WIP- Fixed Assets-Facility Improvements</b>	<b>680071</b>	<b>08/16/2019</b>	<b>7,179.80</b>
BAE SYSTEMS CONTROLS, INC.	Repair Parts-Fixed Route	680145	08/27/2019	6,837.46
ADMIRAL SECURITY SERVICES, INC.	Security Guard Services	680072	08/16/2019	6,656.69
JESSE FRESCAS JR.	Consulting Services	680103	08/16/2019	6,480.00
<b>AMALGAMATED TRANSIT UNION</b>	<b>Union Dues</b>	<b>680074</b>	<b>08/16/2019</b>	<b>6,283.11</b>
THE JANEK CORPORATION	Inventory Repair Parts	680056	08/09/2019	6,249.50
<b>AMALGAMATED TRANSIT UNION</b>	<b>Union Dues</b>	<b>680142</b>	<b>08/27/2019</b>	<b>6,139.66</b>
IMPERIAL IRRIGATION DIST	Utilities	680225	08/30/2019	6,087.56
<b>YELLOW CAB OF THE DESERT</b>	<b>Taxi Voucher Program</b>	<b>680256</b>	<b>08/30/2019</b>	<b>5,801.07</b>
<b>YELLOW CAB OF THE DESERT</b>	<b>Taxi Voucher Program</b>	<b>680068</b>	<b>08/09/2019</b>	<b>5,454.23</b>
SC FUELS	Lubricants- Oil	679966	08/02/2019	5,390.15
NFI PARTS	Inventory Repair Parts	680128	08/16/2019	5,140.04
ATWORK FRANCHISE, INC.	Temporary Help	680095	08/16/2019	4,939.52
<u>PRINCIPAL LIFE INSURANCE COMPANY</u>	<u>PPO Dental Benefits - May 2019</u>	<u>680174</u>	<u>08/27/2019</u>	<u>4,925.55</u>
TPX COMMUNICATIONS	Telephone Service	680185	08/27/2019	4,859.50
SPORTWORKS NORTHWEST, INC.	Inventory Repair Parts	680050	08/09/2019	4,823.04
CREATIVE BUS SALES, INC,	Inventory Repair Parts	680202	08/30/2019	4,814.68
<b>NS CORPORATION</b>	<b>WIP- Fixed Assets-Facility Improvements</b>	<b>680171</b>	<b>08/27/2019</b>	<b>4,807.70</b>
HD INDUSTRIES	Inventory Repair Parts	680222	08/30/2019	4,665.45
PRUDENTIAL OVERALL SUPPLY	Uniforms	680240	08/30/2019	4,663.74
KELLERMEYER BERGENSONS SERVICES, LLC	Janitorial Services	679955	08/02/2019	4,599.00
ROMAINE ELECTRIC CORP.	Inventory Repair Parts	680041	08/09/2019	4,537.09
DS AIR	Materials & Supplies (Safety Vests)	680197	08/30/2019	4,241.37
CREATIVE BUS SALES, INC,	Inventory Repair Parts	680084	08/16/2019	4,122.12
DESERT URGENT CARE AND SANTA ROSA DEL	Medical Exams	680101	08/16/2019	4,105.00
GENFARE	Bus Passes	680096	08/16/2019	4,075.61
CUMMINS SALES AND SERVICE	Inventory Repair Parts	680003	08/09/2019	4,040.61
CALIFORNIA DENTAL NETWORK, INC.	Dental Benefits Sept 2019	680078	08/16/2019	3,979.98
SC FUELS	Lubricants- Oil	680242	08/30/2019	3,969.52
SOCALGAS	Utilities	680124	08/16/2019	3,920.18
FRANKLIN TRUCK PARTS, INC	Inventory Repair Parts	680093	08/16/2019	3,503.65
ACCOUNTEMPS	Temporary Help	680192	08/30/2019	3,432.00
PLAZA TOWING, INC.	Towing Service	679957	08/02/2019	3,350.00
TIME WARNER CABLE	Utilities	680057	08/09/2019	3,235.02
ROMAINE ELECTRIC CORP.	Repair Parts-Fixed Route	680177	08/27/2019	3,127.72

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PRUDENTIAL OVERALL SUPPLY	Direct Purchase Ops/Para Uniforms July 2019	680175	08/27/2019	3,113.73
GLOBAL EQUIPMENT CO. INC.	Shop Supplies	680220	08/30/2019	3,096.74
HD INDUSTRIES	Inventory Repair Parts	680098	08/16/2019	3,085.21
FIESTA FORD, INC.	Inventory Repair Parts	680016	08/09/2019	3,036.59
<b>STANTEC ARCHITECTURE, INC.</b>	<b>WIP-Zero Emissions Maintenance Facility</b>	<b>680181</b>	<b>08/27/2019</b>	<b>3,000.00</b>
COMPLETE COACH WORKS	Inventory Repair Parts	680000	08/09/2019	2,973.90
PAUL ASSOCIATES	Printing Supplies (MOU Booklets)	680173	08/27/2019	2,962.17
HOME DEPOT CREDIT SERVICES	Facility Maintenance Supplies	680223	08/30/2019	2,937.53
GRAINGER	Facility Maintenance Supplies	680097	08/16/2019	2,856.60
ULINE, INC.	Bus Stop Supplies	680062	08/09/2019	2,832.18
<b>DESERT AIR CONDITIONING, INC.</b>	<b>WIP- Fixed Assets-Facility Improvements</b>	<b>680153</b>	<b>08/27/2019</b>	<b>2,761.00</b>
PRUDENTIAL OVERALL SUPPLY	Uniform	679959	08/02/2019	2,509.48
JAY HENGES ENTERPRISES, INC.	Cancellation Fee 6/28/19 for PO# 07894	679958	08/02/2019	2,475.00
<b>DESERT PARADISE CONSTRUCTION, LLC</b>	<b>WIP-OPS Facility/Admin Building</b>	<b>680088</b>	<b>08/16/2019</b>	<b>2,460.00</b>
ASPEN REFRIGERANTS, INC.	Freon & Coolant	680144	08/27/2019	2,451.98
S & A SYSTEMS, INC.	Annual Serv Jan-Dec2019 (Fleet Watch Town Center/Hann)	679965	08/02/2019	2,400.00
CPAC INC.COM	Computer Network Software Agmt (1YR KNOWBE4 Training)	680151	08/27/2019	2,362.50
ANDREA CARTER & ASSOCIATES	Marketing Services	679995	08/09/2019	2,350.00
PDC MACHINES, INC	Inventory Repair Parts-SunFuels	680238	08/30/2019	2,254.01
ELDORADO NATIONAL (CALIFORNIA), INC.	Inventory Repair Parts	680213	08/30/2019	2,250.94
RECARO NORTH AMERICA, INC.	Inventory Repair Parts	680040	08/09/2019	2,237.89
CREATIVE BUS SALES, INC,	Inventory Repair Parts	680002	08/09/2019	2,203.95
IMPERIAL IRRIGATION DIST	Utilities	680163	08/27/2019	2,197.84
ATWORK FRANCHISE, INC.	Temporary Help	680018	08/09/2019	2,172.36
COMPLETE COACH WORKS	Inventory Repair Parts	680082	08/16/2019	2,136.95
CLEAN ENERGY	Inventory Repair Parts-SunFuels	679931	08/02/2019	2,075.23
<b>IMPERIAL IRRIGATION DIST</b>	<b>WIP- CNG Station</b>	<b>680164</b>	<b>08/27/2019</b>	<b>2,000.00</b>
AVAIL TECHNOLOGIES	Computer Network Software Agreement	679927	08/02/2019	1,960.00
<b>CALIFORNIA STATE DISBURSEMENT UNIT</b>	<b>Garnishments</b>	<b>680079</b>	<b>08/16/2019</b>	<b>1,926.36</b>
VERIZON WIRELESS	Wireless Telephone Service	680066	08/09/2019	1,915.14
OFFICE DEPOT	Office Supplies	680233	08/30/2019	1,850.66
CV PLASTICS, INC.	Bus Stop Supplies	680206	08/30/2019	1,831.86
NORTON MEDICAL INDUSTRIES	Medical Exams	679953	08/02/2019	1,784.05
LONG ELECTRIC, INC.	Facility Maintenance Supplies	680228	08/30/2019	1,765.00
AUGER CONSULTING GROUP LLC	Consulting Services	680028	08/09/2019	1,760.00
<b>CALIFORNIA STATE DISBURSEMENT UNIT</b>	<b>Garnishments</b>	<b>680148</b>	<b>08/27/2019</b>	<b>1,729.40</b>
ACCOUNTEMPS	Temporary Help	679924	08/02/2019	1,725.01
ACCOUNTEMPS	Temporary Help	679991	08/09/2019	1,716.00
ATWORK FRANCHISE, INC.	Temporary Help	679978	08/06/2019	1,704.36

**SunLine Transit Agency  
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<b>Vendor Filed As Name</b>	<b>Description</b>	<b>Check #</b>	<b>Payment Date</b>	<b>Payment Amount</b>
ELDORADO NATIONAL (CALIFORNIA), INC.	Inventory Repair Parts	680012	08/09/2019	1,648.76
SMARTDRIVE SYSTEMS, INC.	General Services	680179	08/27/2019	1,580.00
SMARTDRIVE SYSTEMS, INC.	General Services	679967	08/02/2019	1,580.00
<b>DESERT CITY CAB</b>	<b>Taxi Voucher Program</b>	<b>680006</b>	<b>08/09/2019</b>	<b>1,545.71</b>
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	680147	08/27/2019	1,529.48
PDC MACHINES, INC	Inventory Repair Parts-SunFuels	680037	08/09/2019	1,501.61
IDWHOLESALE	ID Badge Supplies	680023	08/09/2019	1,497.45
SC FUELS	Lubricants- Oil	680043	08/09/2019	1,460.15
SARDO BUS & COACH UPHOLSTERY	Inventory Repair Parts	680122	08/16/2019	1,426.24
<b>DESERT CITY CAB</b>	<b>Taxi Voucher Program</b>	<b>680209</b>	<b>08/30/2019</b>	<b>1,371.28</b>
PLAZA TOWING, INC.	Towing Service	680239	08/30/2019	1,350.00
TK SERVICES, INC.	Inventory Repair Parts	680130	08/16/2019	1,345.36
TRANSIT RESOURCES, INC.	Inventory Repair Parts	680250	08/30/2019	1,331.89
TOMMY EDWARDS	Expense Reimbursement	679969	08/02/2019	1,311.17
FEDEX OFFICE PRINT & SHIP CENTER	Materials & Supplies (25 Operator Training Books)	680015	08/09/2019	1,255.80
ROMAINE ELECTRIC CORP.	Inventory Repair Parts	680120	08/16/2019	1,254.96
C V WATER DISTRICT	Utilities	680150	08/27/2019	1,220.99
JUAN ANTONIO MEZA	Facility Maintenance (Div2 tree trimming)	680166	08/27/2019	1,215.00
PLAZA TOWING, INC.	Towing Service	680118	08/16/2019	1,150.00
PAUL ASSOCIATES	Office Supplies	680237	08/30/2019	1,142.18
SLEC, INC.	Equipment Repairs-Shop Equipment	680243	08/30/2019	1,130.36
APOLLO VIDEO TECHNOLOGY	Inventory Repair Parts	680194	08/30/2019	1,118.46
TK SERVICES, INC.	Inventory Repair Parts	680249	08/30/2019	1,081.69
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	680146	08/27/2019	1,076.67
AUTOZONE COMMERCIAL	Freon & Coolant	680075	08/16/2019	1,070.99
HOMETOWN MANUFACTURING	Inventory Repair Parts	680211	08/30/2019	1,070.51
CPAC INC.COM	Computer Supplies	680083	08/16/2019	1,050.08
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	680034	08/09/2019	1,041.61
AIR & LUBE SYSTEMS INC	Rotary Lift Repair Column #2 PD02	679992	08/09/2019	1,034.55
FIESTA FORD, INC.	Lubricants- Oil	680158	08/27/2019	1,034.35
CV PLASTICS, INC.	Bus Stop Supplies	680005	08/09/2019	1,029.17
MOHAWK MFG & SUPPLY CO	Inventory Repair Parts	680032	08/09/2019	1,012.87
360 BUSINESS CONSULTING	Webhosting & Maintenance Services (July 2019)	680070	08/16/2019	1,000.00
TOTALFUNDS	Postage Supplies	680131	08/16/2019	1,000.00
360 BUSINESS CONSULTING	Webhosting & Maintenance Services (May 2019)	679990	08/09/2019	1,000.00
<b>Total Checks Over \$1,000</b>	\$1,778,757.84			
<b>Total Checks Under \$1,000</b>	\$43,061.02			
<b>Total Checks</b>	\$1,821,818.86			

**SunLine Transit Agency**

**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Credit Card Statement for August 2019

Summary:

The attached report summarizes the Agency's credit card expenses for August 2019 with a statement closing date of September 3, 2019.

Recommendation:

Receive and file.



**SunLine Transit Agency Visa Credit Card Statement**

**Closing Date: 9/03/19**

**Name on Card: Lauren Skiver**

	<b>Trans. Date</b>	<b>Post Date</b>	<b>Reference</b>	<b>Detail - Description</b>	<b>Credits</b>	<b>Charges</b>
1	8/6/2019	8/6/2019	Expedia	Lodging for 2 Nights; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$456.78
2	8/6/2019	8/6/2019	Southwest Airlines	Southwest Airlines EarlyBird check in fee; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$25.00
3	8/6/2019	8/6/2019	Southwest Airlines	Roundtrip flight from ONT to SMF on Southwest Airlines; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$154.96
4	8/6/2019	8/6/2019	Southwest Airlines	Southwest Airlines EarlyBird check in fee; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$25.00
5	8/12/2019	8/12/2019	GoDaddy.Com	GoDaddy; ZEBRA Website Design & Annual Host Cancelation Refund ( <b>Credits</b> )	\$179.88	
6	8/16/2019	8/16/2019	Residence Inn	Lodging for 2 Nights; Infrastructure Summit w/ CALSTART - Tommy Edwards, Chief Performance Officer		\$229.40
7	8/16/2019	8/16/2019	Residence Inn	Lodging for 2 Nights; Infrastructure Summit w/ CALSTART - Lauren Skiver, CEO/General Manager		\$239.40
8	8/22/2019	8/22/2019	The Mirage	Lodging for 2 Nights; NeoGov Conference - Joseph Miele, Human Resources Specialist		\$283.46
9	8/23/2019	8/23/2019	APTA Housing	Deposit for Lodging for 4 Nights; APTA's 2019 TRANSform Conference - Lauren Skiver, CEO/General Manager, Tommy Edwards, Chief Performance Officer, and Peter Gregor, Chief Safety Officer		\$1,384.05
10	8/23/2019	8/23/2019	The Office Express	Office Express Catering Order; Redesign Workshop - Planning Department, Operations Department and HDR		\$173.41
11	8/26/2019	8/26/2019	CMT Sacramento	Taxi from Airport to Hotel; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$46.85
12	8/27/2019	8/27/2019	United	Roundtrip flight from PSP to DEN on United Airlines; APTA Board Chair Selection Meeting - Lauren Skiver, CEO/General Manager		\$618.60
13	8/28/2019	8/28/2019	Ont Airport Parking Lot	Airport parking for 3 days (Ontario Airport); California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$81.00
14	8/28/2019	8/28/2019	Yellow Cab of Sacramento	Taxi from Hotel to Airport; California Hydrogen Business Council (CHBC) Board Meeting- Lauren Skiver, CEO/General Manager		\$40.80
<b>Credits and Charges:</b>					\$179.88	\$3,758.71
<b>Total:</b>					<b>\$3,578.83</b>	



CONSOLIDATED BILLING CONTROL ACCOUNT STATEMENT

Prepared For	SUNLINE TRANSIT LUIS GARCIA
Account Number	[REDACTED]
Statement Closing Date	09/03/19
Days in Billing Cycle	32
Next Statement Date	10/03/19

For 24-Hour Customer Service Call:  
800-231-5511

Inquiries or Questions:  
Wells Fargo SBL PO Box 29482  
Phoenix, AZ 85038-8650

Credit Line	\$40,000
Available Credit	\$36,372

Payments:  
Elite Card Payment Center PO Box 77066  
Minneapolis, MN 55480-7766

Payment Information

New Balance	\$3,627.94
Current Payment Due (Minimum Payment)	\$500.00
Current Payment Due Date	09/28/19

Thank you for using our Automatic Payment service. See the **Important Information** section below for your next scheduled payment.

If you wish to pay off your balance in full: The balance noted on your statement is not the payoff amount. Please call 800-231-5511 for payoff information.

Account Summary

Previous Balance		\$3,886.41
Credits	-	\$310.65
Payments	-	\$3,706.53
Purchases & Other Charges	+	\$3,758.71
Cash Advances	+	\$0.00
Finance Charges	+	\$0.00
New Balance	=	\$3,627.94

Wells Fargo Elite Cash Back Advantage

Previous Balance		\$94.98
Cash Earned this Month		\$35.79
Trades From Other Company Cards		\$0.00
Bonus/Adjustments		\$0.00
Cash Back Balance	=	\$0.00
Cash Awarded this Period		\$130.77
Year to Date Cash Back Awarded		\$575.66

See reverse side for important information.



DETACH HERE

Detach and mail with check payable to "Wells Fargo" to arrive by Current Payment Due Date.

Make checks payable to: Wells Fargo

Account Number	[REDACTED]
New Balance	\$3,627.94
Total Amount Due (Minimum Payment)	\$500.00
Current Payment Due Date	09/28/19

05000003627940044846100042659416

Print address or phone changes:

Work ( )

Amount Enclosed:



ELITE CARD PAYMENT CENTER YTG  
PO BOX 77066 29  
MINNEAPOLIS MN 55480-7766

SUNLINE TRANSIT  
LUIS GARCIA 60537  
32505 HARRY OLIVER TRL  
THOUSAND PALMS CA 92276-3501 MSP 346



**Rate Information**

Your rate may vary according to the terms of your agreement.

TYPE OF BALANCE	ANNUAL INTEREST RATE	DAILY FINANCE CHARGE RATE	AVERAGE DAILY BALANCE	PERIODIC FINANCE CHARGES	TRANSACTION FINANCE CHARGES	TOTAL FINANCE CHARGES
PURCHASES	13.240%	.03627%	\$0.00	\$0.00	\$0.00	\$0.00
CASH ADVANCES	25.990%	.07120%	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Important Information**

1-2

\$0 - \$3,627.94 WILL BE DEDUCTED FROM YOUR ACCOUNT AND CREDITED AS YOUR AUTOMATIC PAYMENT ON 09/28/19. THE AUTOMATIC PAYMENT AMOUNT WILL BE REDUCED BY ALL PAYMENTS POSTED ON OR BEFORE THIS DATE.

**Summary of Sub Account Usage**

Name	Sub Account Number Ending In	Monthly Spending Cap	Spend This Period
LAURA SKIVER	[REDACTED]	40,000	\$3,578.83

**Transaction Details**

The transactions detailed on this Consolidated Billing Control Account Statement contain transactions made directly to this Control Account plus all transactions made on Sub Accounts. If there were no transactions made by a Sub Account that Sub Account will not appear.

Trans	Post	Reference Number	Description	Credits	Charges
08/28	08/28	F3268007G00CHGDDA	AUTOMATIC PAYMENT - THANK YOU TOTAL 4484610004265941 \$3,706.53-	3,706.53	
09/03	09/03		WELLS FARGO CASH BACK - CREDIT	130.77	
Transaction Summary For <b>LAURA SKIVER</b> Sub Account Number Ending In <b>0263</b>					
08/06	08/06	24692166S2XZW7V2T	EXPEDIA 7461364707088 EXPEDIA.COM WA		456.78
08/06	08/06	24692166V2XGFKQ2D	SWA*EARLYBRD5269846443281800-435-9792 TX		25.00
08/06	08/06	24692166V2XGFKQ2Y	SOUTHWES 5262106093189800-435-9792 TX		154.96
		08/26/19	SKIVER/LAURA LEE		
		1 WN E	ONTARIO SACRAMENTO		
		2 WN D	SACRAMENTO ONTARIO		
08/06	08/06	24692166V2XGFKQ25	SWA*EARLYBRD5269846443280800-435-9792 TX		25.00
08/12	08/12	74906417028EE8NA6	DNH*GODADDY.COM 480-5058855 AZ	179.88	
08/16	08/16	2469216742XVHQYQF	RESIDENCE INNS LONG BE LONG BEACH CA		229.40
08/16	08/16	2469216742XVHQYQ7	RESIDENCE INNS LONG BE LONG BEACH CA		239.40
08/22	08/22	24431067BP64RA7PY	THE MIRAGE - ADVANCE DEP 8552755733 NV		283.46
08/23	08/23	24431067Q0D17JAYM	APTA HOUSING OFFICE FALLS CHURCH VA		1,384.05
08/23	08/23	24755427QMA22Q705	THE OFFICE EXPRESS 800-3675402 CA		173.41
08/26	08/26	24164077E2KSNF356	CMT SACRAMENTO27680016 SACRAMENTO CA		46.85
08/27	08/27	24692167G2X52NP44	UNITED 0162469780676800-932-2732 TX		616.60
		09/04/19	SKIVER/LAURALEE		
		1 UA Q	PALM SPRINGS DENVER		
		2 UA Q	DENVER PALM SPRINGS		
08/28	08/28	24323037H05JZLVH9	ONT AIRPT PRKING LOT 4 ONTARIO CA		81.00
08/28	08/28	24733097G2MAW17K2	YELLOW CAB OF SACRAMENTO SACRAMENTO CA		40.80
			<b>TOTAL \$3,578.83</b>		
			LAURA SKIVER / Sub Acct Ending In [REDACTED]		

**Wells Fargo News**

Remember there are no foreign transaction fees when you make international purchases or travel outside of the U.S. With your Wells Fargo Business Elite Card, you can take your business anywhere around the world and have the confidence you'll get:

- No foreign transaction fees on your purchases
  - Enhanced security with chip card technology
- "No foreign transaction fees" applies to business credit cards issued by Wells Fargo and this account in particular. For information on other Wells Fargo credit and debit cards, please see your account agreement or visit [wellsfargo.com](http://wellsfargo.com).

**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Monthly Budget Variance Report for August 2019

Summary:

The budget variance report compares revenues and expenses to the respective line item budgets. The report identifies current monthly revenues and expenses as well as year to date (YTD) values. The current monthly budget values are calculated by taking 1/12<sup>th</sup> of the annual budget and the YTD budget values are calculated by dividing the yearly budget by the number of months progressed through the fiscal year.

- As of August 31, 2019, the organization's revenues net of subsidies are \$50,191 under budget or 6.6% under the YTD budget. Expenditures are \$759,641 under budget or 11.2% below the YTD budget.
- The net YTD operating gain (loss) after subsidies is 0.

Recommendation:

Receive and file.

SunLine Transit Agency  
Budget Variance Report  
August 2019

Description	FY20 Total Budget	Current Month			Year to Date			
		Actual	Budget	Favorable (Unfavorable)	YTD Actual	FY20 YTD Budget	Favorable (Unfavorable)	Percentage Remaining
<b>Operating Revenues:</b>								
Passenger Revenue	2,799,649	255,829	233,304	22,525	441,751	466,608	(24,857)	84.2%
Other Revenue	1,773,184	135,950	147,765	(11,816)	270,197	295,531	(25,333)	84.8%
<b>Total Operating Revenue</b>	<b>4,572,833</b>	<b>391,779</b>	<b>381,069</b>	<b>10,709</b>	<b>711,948</b>	<b>762,139</b>	<b>(50,191)</b>	<b>84.4%</b>
<b>Operating Expenses:</b>								
Operator & Mechanic Salaries & Wages	10,276,452	794,907	856,371	61,464	1,580,526	1,712,742	132,216	84.6%
Operator & Mechanic Overtime	1,071,700	122,055	89,308	(32,747)	266,016	178,617	(87,400)	75.2%
Administration Salaries & Wages	6,362,690	494,873	530,224	35,351	974,761	1,060,448	85,688	84.7%
Administration Overtime	79,284	3,972	6,607	2,635	8,047	13,214	5,167	89.9%
Fringe Benefits	10,780,692	773,367	898,391	125,024	1,535,422	1,796,782	261,360	85.8%
Communications	226,000	19,114	18,833	(280)	38,888	37,667	(1,221)	82.8%
Legal Services	525,000	773	43,750	42,977	14,287	87,500	73,213	97.3%
Computer/Network Software Agreement	626,053	30,785	52,171	21,387	64,937	104,342	39,406	89.6%
Uniforms	118,706	2,743	9,892	7,150	9,435	19,784	10,349	92.1%
Contracted Services	462,568	48,068	38,547	(9,521)	78,363	77,095	(1,268)	83.1%
Equipment Repairs	6,750	1,130	563	(568)	2,869	1,125	(1,744)	57.5%
Security Services	117,337	6,788	9,778	2,990	13,859	19,556	5,697	88.2%
Fuel - CNG	1,601,295	129,097	133,441	4,344	246,085	266,883	20,797	84.6%
Fuel - Hydrogen	350,000	18,034	29,167	11,133	32,400	58,333	25,933	90.7%
Tires	291,800	16,713	24,317	7,604	36,208	48,633	12,425	87.6%
Office Supplies	75,028	7,206	6,252	(953)	12,348	12,505	157	83.5%
Travel/Training	150,100	4,766	12,508	7,742	7,408	25,017	17,609	95.1%
Repair Parts	1,407,128	178,163	117,261	(60,902)	299,259	234,521	(64,738)	78.7%
Facility Maintenance	45,750	1,475	3,813	2,338	5,075	7,625	2,550	88.9%
Electricity - CNG & Hydrogen	283,000	13,768	23,583	9,816	26,731	47,167	20,436	90.6%
Natural Gas	1,345,000	98,891	112,083	13,193	201,217	224,167	22,949	85.0%
Water and Gas	6,500	288	542	254	575	1,083	508	91.2%
Insurance Losses	1,312,523	109,490	109,377	(113)	239,992	218,754	(21,238)	81.7%
Insurance Premium - Property	18,626	1,505	1,552	47	3,022	3,104	82	83.8%
Repair Claims	100,000	0	8,333	8,333	0	16,667	16,667	100.0%
Fuel Taxes	116,500	6,226	9,708	3,482	12,473	19,417	6,943	89.3%
Other Expenses	4,854,450	286,546	404,538	117,991	615,379	809,075	193,696	87.3%
Self Consumed Fuel	(1,770,782)	(147,148)	(147,565)	418	(278,530)	(295,130)	16,600	84.3%
<b>Total Operating Expenses (Before Depreciation)</b>	<b>40,840,150</b>	<b>3,023,593</b>	<b>3,403,346</b>	<b>379,753</b>	<b>6,047,051</b>	<b>6,806,692</b>	<b>759,641</b>	<b>85.2%</b>
<b>Operating Expenses in Excess of Operating Revenue</b>		<b>\$ (2,631,815)</b>			<b>\$ (5,335,103)</b>			
<b>Subsidies:</b>								
Local - Measure A, Buzz Service, Haul Pass	7,226,030	524,372	602,169	77,797	1,062,985	1,204,338	141,353	85.3%
State - LTF, LCTOP	21,191,641	1,537,816	1,765,970	228,154	3,117,396	3,531,940	414,544	85.3%
Federal - CMAQ, 5307, 5309,5310, 5311, 5311(f)	7,849,646	569,626	654,137	84,511	1,154,722	1,308,274	153,552	85.3%
<b>Total Subsidies</b>	<b>36,267,317</b>	<b>2,631,815</b>	<b>3,022,276</b>	<b>390,462</b>	<b>5,335,103</b>	<b>6,044,553</b>	<b>709,450</b>	<b>85.3%</b>
<b>Net Operating Gain (Loss) After Subsidies</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ -</b>			

SunLine Transit Agency  
Budget Variance Report  
August 2019

Description	FY20 Total Budget	Current Month			Year to Date			
		Actual	Budget	Favorable (Unfavorable)	YTD Actual	FY20 YTD Budget	Favorable (Unfavorable)	Percentage Remaining
<b>Operating Expenses:</b>								
Wages & Benefits	28,570,818	2,189,174	2,380,902	191,727	4,364,771	4,761,803	397,032	84.7%
Services	4,134,526	206,285	344,544	138,259	407,504	689,088	281,583	90.1%
Fuels & Lubricants	2,140,724	163,618	178,394	14,776	306,442	356,787	50,345	85.7%
Tires	291,800	16,713	24,317	7,604	36,208	48,633	12,425	87.6%
Materials and Supplies	1,778,028	209,697	148,169	(61,528)	353,727	296,338	(57,389)	80.1%
Utilities	1,912,500	136,385	159,375	22,990	278,533	318,750	40,217	85.4%
Casualty & Liability	2,201,631	177,919	183,469	5,550	381,213	366,939	(14,274)	82.7%
Taxes and Fees	116,500	6,226	9,708	3,482	12,473	19,417	6,943	89.3%
Miscellaneous Expenses	1,464,405	64,723	122,034	57,310	184,709	244,068	59,359	87.4%
Self Consumed Fuel	(1,770,782)	(147,148)	(147,565)	418	(278,530)	(295,130)	16,600	84.3%
<b>Total Operating Expenses (Before Depreciation)</b>	<b>40,840,150</b>	<b>3,023,593</b>	<b>3,403,346</b>	<b>379,753</b>	<b>6,047,051</b>	<b>6,806,692</b>	<b>759,641</b>	<b>85.2%</b>
<b>Revenues:</b>								
Passenger Revenue	2,799,649	255,829	233,304	22,525	441,751	466,608	(24,857)	-84.2%
Other Revenue	1,773,184	135,950	147,765	(11,816)	270,197	295,531	(25,333)	-84.8%
<b>Total Operating Revenue</b>	<b>4,572,833</b>	<b>391,779</b>	<b>381,069</b>	<b>10,709</b>	<b>711,948</b>	<b>762,139</b>	<b>(50,191)</b>	<b>-84.4%</b>
<b>Net Operating Gain (Loss)</b>		<b>\$ (2,631,815)</b>			<b>\$ (5,335,103)</b>			
<b>Subsidies:</b>								
Local - Measure A, Buzz Service	7,226,030	524,372	602,169	77,797	1,062,985	1,204,338	141,353	85.3%
State - LTF, SGR, LCTOP	21,191,641	1,537,816	1,765,970	228,154	3,117,396	3,531,940	414,544	85.3%
Federal - CMAQ, 5307, 5309,5310, 5311, 5311(f)	7,849,646	569,626	654,137	84,511	1,154,722	1,308,274	153,552	85.3%
<b>Total Subsidies</b>	<b>36,267,317</b>	<b>2,631,815</b>	<b>3,022,276</b>	<b>390,462</b>	<b>5,335,103</b>	<b>6,044,553</b>	<b>709,450</b>	<b>85.3%</b>
<b>Net Operating Gain (Loss) After Subsidies</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ -</b>			

**Budget Variance Analysis - SunLine Transit Agency**

**Passenger Revenue - Unfavorable**

- The ridership demand follows a seasonal pattern. Ridership is higher October through April. The increase in ridership during the peak season will help adjust the current negative variance in passenger revenue.
- Ridership is currently at 2.9% above FY19 YTD totals.
- Total system ridership is presently 17,331 trips above FY19 YTD amounts.

Ridership				
	FY19-Aug	FY20-Aug	Variance	%Δ
Fixed Route	310,101	309,996	(105)	-0.03%
Paratransit	13,408	13,035	(373)	-2.8%
SolVan	2,132	1,376	(756)	-35.5%
System Total	325,641	324,407	(1,234)	-0.4%

Ridership				
	YTD-FY19	YTD-FY20	Variance	%Δ
Fixed Route	574,318	593,007	18,689	3.3%
Paratransit	26,101	25,969	(132)	-0.5%
SolVan	3,974	2,748	(1,226)	-30.9%
System Total	604,393	621,724	17,331	2.9%

**Other Revenue - Unfavorable**

- The unfavorable balance is mainly attributed to lower emission credit revenue for August.
- Emissions credit revenue has a negative variance due to a decrease in the number of credits of emissions generated. Additionally the market price per credit has reduced by \$.08 per credit compared to August FY19.

**Operator & Mechanic Salaries & Wages - Favorable**

- The favorable balance is primarily attributed to vacant operator positions.
- Other factors include operators and mechanics using vacation time, sick time, short-term disability, and long-term disability.

**Operator & Mechanic Overtime - Unfavorable**

- Contributing factors for overtime usage include operators using vacation time, sick time, short-term disability, long-term disability. Also, there are some vacant positions. To cover actual workload, the active employees have to work extended hours.
- Budget is on a 1/12 straight line allocation, overtime expenditures follow a seasonal pattern and therefore some months will have larger variances than others.

August			
	Monthly Budget	OT Expense	Variance
Fixed Route	\$ 55,833.33	\$ 89,761.02	\$ (33,927.69)
Paratransit	\$ 22,500.00	\$ 23,514.08	\$ (1,014.08)
Mechanics	\$ 10,000.00	\$ 8,778.17	\$ 1,221.83

YTD-August			
	YTD Budget	YTD OT Expense	Variance
Fixed Route	\$ 111,666.67	\$ 195,515.56	\$ (83,848.89)
Paratransit	\$ 45,000.00	\$ 46,058.61	\$ (1,058.61)
Mechanics	\$ 20,000.00	\$ 22,488.98	\$ (2,488.98)

**Administration Salaries & Wages - Favorable**

- The favorable variance in administrative salaries and wages is attributed to vacant positions across the agency (e.g., Maintenance Supervisor, Human Resources Manager, Procurement Manager).

**Administration Overtime - Favorable**

- Administrative overtime is within an acceptable range of the budgeted amount.

**Fringe Benefits - Favorable**

- Fringe benefit savings are attributed to vacant positions across the agency.

**Communications - Unfavorable**

- In August the \$280 unfavorable variance is due to a former telephone service contract. The new contract and upgrade was implemented 10/01/19 and a new billing rate established.
- In July an annual expense for a service fee for a real time cellular sign was paid.

**Legal Services - Favorable**

- Legal service fees are within an acceptable range of the budgeted amount.

**Computer/Network Software Agreement - Favorable**

- Budget is twelve-period allocation, but some expenses are yet to be incurred (i.e., software programs).
- The following programs will be incurred in the latter part of the year:
  - Barracuda - provides web filters, spam filters, and email archive
  - Keystone - support for SYSCO devices
  - Cummins Software - utilize to run diagnostics on Cummins engines
  - Lansweeper - network management tool.

**Uniforms - Favorable**

- At the beginning of the fiscal year, operators are given a \$300 credit toward uniform expenses.
- The favorable balance is due to operators not yet using their annual credit. The costs will vary throughout the year depending on when the operator uses his or her uniform credit.

**Contracted Services - Unfavorable**

- The unfavorable variance is attributed to emergency repair services in August for the CNG station. Additionally, there were seven (7) towing services charged, and a hazardous waste removal fee that occurs at the beginning of every quarter.
- Contracted service expenses vary throughout the year (e.g., SVC Towing and Freight in department 22 are utilized on a need basis, web hosting costs, hazardous waste disposal fees, contracted services AC).

**Equipment Repairs - Unfavorable**

- The unfavorable variance is due to repairs and maintenance to the shop bus lift incurred in August.
- Equipment repair cost vary depending on the needs of the agency (i.e., Shop Equipment, Farebox).

**Security Services - Favorable**

- Security services are within an acceptable range of the budgeted amount.

**Fuel - CNG - Favorable**

- Internal consumption has decreased by 6,564 GGE's below FY19 YTD amounts. The lower internal consumption is primarily attributed to redesign route projects not yet commenced.

**Internal GGE Usage**

	GGE Usage	Variance FY19 vs. FY20	Variance Previous Month	%Δ FY19 vs FY20	%Δ Previous Month
Aug FY19	126,473				
Aug FY20	119,909	(6,564)	(3,813)	-5.19%	-3.08%
Jul FY19	123,722				
YTD Aug FY19	250,195				
YTD Aug FY20	243,631	(6,564)		-2.62%	

**Fuel - Hydrogen - Favorable**

- Hydrogen fuel expenditures are within an acceptable range of the budgeted amount.

**Tires - Favorable**

- Tire expenditures are within an acceptable range of the budgeted amount.



**Office Supplies - Favorable**

- Office supplies are a variable expense; costs vary throughout the year as required.

**Travel/Training - Favorable**

- Travel & training savings can be attributed to different times at which training sessions are attended.

**Repair Parts - Unfavorable**

- Aging fleet has led to the unpredictability of component failures and therefore have increased the number of repairs.
- In August, fixed route had costs of \$161,524 for repair parts (e.g., preventative maintenance services, engine rebuilds, radiator replacement, core replacement)
- In August, paratransit had expenses of \$11,239 for repair parts (e.g., preventative maintenance, engine replacement, transmission replacement)
- In August, support vehicle repair parts had a cost of \$1,024 for repair parts (e.g., preventative maintenance, tire replacement, battery replacement)

**Facility Maintenance - Favorable**

- Facility Maintenance expenditures are within an acceptable range of the budgeted amount.

**Electricity - CNG & Hydrogen - Favorable**

- In FY20 the budget was increased to cover the projected increase in expenses due to the installation of the electrolyzer. The installation will now take place in September FY20.

**Natural Gas - Favorable**

- In August, there was a decrease of 4,191 GGE's used for outside fueling sales compared to the previous month.
- GGE outside usage has decreased 60,832 GGE's below FY19 YTD amounts.
- The decrease in GGE usage is due to a decrease in CNG sales. In August 2018, Burrtec completed their CNG station and no longer uses the SunLine CNG station as its primary fueling source.

**Outside GGE Usage**

	GGE Usage	Variance FY19 vs. FY20	Variance Previous Month	%Δ FY19 vs FY20	%Δ Previous Month
Aug FY19	39,132				
Aug FY20	12,602	(26,530)	(4,191)	-67.80%	-24.96%
Jul FY19	16,793				
YTD Aug FY19	90,227				
YTD Aug FY20	29,395	(60,832)		-67.42%	

**Water and Gas - Favorable**

- Water and gas utility expenses are within an acceptable range of the budgeted amount.

**Insurance Losses - Unfavorable**

- The unfavorable variance is mainly attributed to large reconciliations to deposits held by PERMA.
- Deposit premiums are intended to cover claim expenses and settlements. Annual deposit premiums are based on actuarially-determined rates for each coverage layer (pool), based on estimates of the probable losses.
- Insurance losses can vary widely from month to month.

**Insurance Premium - Property - Favorable**

- Insurance premium expenses are within an acceptable range of the budget.

**Repair Claims - Favorable**

- Repair claims can vary significantly from month to month.
- The decrease in repair claim expenses is attributed to accidents being minor in scale (e.g., collisions with gates, mirror to mirror contacts or collisions with trash bin).

**Fuel Taxes - Favorable**

- Outside fueling sales are currently \$155,421 below FY19 YTD amounts.
- For August, sales have decreased by \$8,934 from the previous month.
- The favorable variance in fuel taxes is due to lower fuel sales and internal fuel consumption.

**Outside Fueling Revenue**

	Revenue	Variance FY19 vs. FY20	Variance Previous Month	%Δ FY19 vs FY20	%Δ Previous Month
Aug FY19	\$ 105,211				
Aug FY20	\$ 35,095	\$ (70,117)	\$ (8,934)	-66.64%	-20.29%
Jul FY19	\$ 44,028				
YTD Aug FY19	\$ 234,543				
YTD Aug FY20	\$ 79,123	\$ (155,421)		-66.27%	

**Other Expenses - Favorable**

- Costs vary from month to month depending on the needs of the agency (e.g., medical exams and testing, consulting fees, recruiting employees, printing services, temporary help services, SunRide Rideshare, Vanpool).

**Self Consumed Fuel - Favorable**

- The lower internal consumption is primarily attributed to service Redesign Projects not yet initiated. The redesign will include streamlined routes and increased frequency to better meet the needs of the Coachella Valley residents.

**Mileage**

	Aug. FY19	Aug. FY20	Variance	%Δ
Fixed Route	321,803	323,815	2,012	0.6%
Paratransit	100,612	101,201	589	0.6%
System Total	422,415	425,016	2,601	0.6%

**Mileage YTD-August**

	YTD-FY19	YTD-FY20	Variance	%Δ
Fixed Route	633,647	643,412	9,765	1.5%
Paratransit	197,988	201,896	3,908	2.0%
System Total	831,635	845,308	13,673	1.6%

**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Contracts Signed in Excess of \$25,000 September 2019

Summary:

The attached report summarizes SunLine's contracts signed in excess of \$25,000.

- For the month of September 2019, there were three (3) contracts executed and one (1) amendment executed:

<b>VENDOR</b>	<b>PURPOSE</b>
Kennard Potts	Planning Consulting Services
Kathleen Kelly Consulting	Finance Consulting
Burke, Williams & Sorensen	Legal Services
Gkkworks Construction	Operations Facility Design Build

Recommendation:

Receive and file.

Contracts Signed in Excess of \$25,000

September 2019

Vendor	Product/Service	Need	Budgeted	Budgeted Amount	Cost	Type
Kennard Potts	Planning Consulting Services	Consulting services to support HDR service planning.	FY20 Operating Budget	\$435,420.00	\$ 58,240.00	Executed Agreement
Kathleen Kelly Consulting	Finance Consulting	Consulting services to provide feedback and strategic planning input for the Finance Department.	FY20 Operating Budget	\$223,525.00	\$ 56,000.00	Executed Agreement
Burke, Williams & Sorensen	Legal Services	Legal services for the Agency.	FY20 Operating Budget	\$525,000.00	\$ 525,000.00	Executed Amendment
Gkkworks Construction	Operations Facility Design Build	The operation facility replacement project will allow SunLine to complete demolition, removal and rebuild a functional operations building at the Thousand Palms site.	SRTP 2017 SRTP 2018 SRTP 2019	\$ 7,000,000.00	\$ 6,436,493.36	Executed Agreement

**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**TO: Finance/Audit Committee  
Board of Directors

RE: Union &amp; Non-Union Pension Investment Asset Summary August 2019

Summary:

- The pension asset summary demonstrates the book and market value of all assets as well as the total asset allocation for SunLine's bargaining and non-bargaining retirement plans. The following table states the target and range values for asset allocations based on the current investment policy:

	Target	Range
Equities	60%	35 – 75%
Fixed Income	40%	25 – 64%
Cash & Equivalent	0%	0 – 10%

- For August, SunLine's investments fell within the approved range of investment type for the union and non-union assets.

## Union

	Actual	Range
Equities	63.24%	35 – 75%
Fixed Income	36.51%	25 – 64%
Cash & Equivalent	0.25%	0 – 10%

## Non-Union

	Actual	Range
Equities	63.23%	35 – 75%
Fixed Income	36.51%	25 – 64%
Cash & Equivalent	0.26%	0 – 10%

- For August, the market value of assets decreased by \$123,565 and \$147,377 for the union and non-union plans, respectively. Overall market performance during August 2019 decreased compared to the gains in the first portion of the calendar

year. Overall, the year-to-date plan assets are still at an estimated positive gain of \$3,448,510 and \$3,388,393 for the union and non-union plans, respectively.

Month to Month Asset Comparison

Month	Market Value - Union	Market Value – Non-Union
July 2019	\$28,802,130	\$29,189,833
August 2019	\$28,678,565	\$29,042,456
Increase (Decrease)	(\$123,565)	(\$147,377)

Recommendation:

Receive and file.

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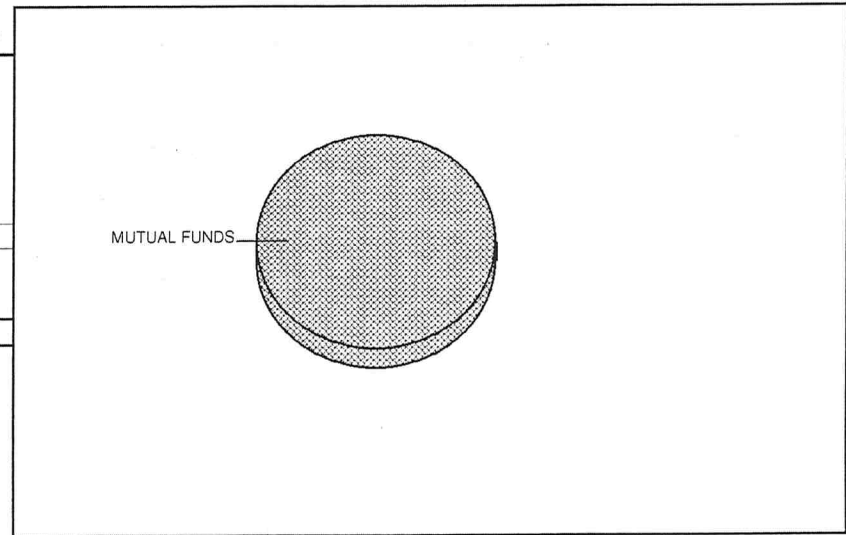
SUNLINE TRANSIT AGENCY - UNION  
 ACCOUNT 6746032000

Page 7 of 26  
 Period from August 1, 2019 to August 31, 2019

**ASSET SUMMARY**

<b>ASSETS</b>	<b>08/31/2019 MARKET</b>	<b>08/31/2019 BOOK VALUE</b>	<b>% OF MARKET</b>
Cash And Equivalents	70,375.43	70,375.43	0.25
Mutual Funds-Equity	18,137,119.10	16,791,077.98	63.24
Mutual Funds-Fixed Income	10,470,891.14	10,046,389.43	36.51
<b>Total Assets</b>	<b>28,678,385.67</b>	<b>26,907,842.84</b>	<b>100.00</b>
Accrued Income	179.81	179.81	0.00
<b>Grand Total</b>	<b>28,678,565.48</b>	<b>26,908,022.65</b>	<b>100.00</b>

Estimated Annual Income                      671,985.71



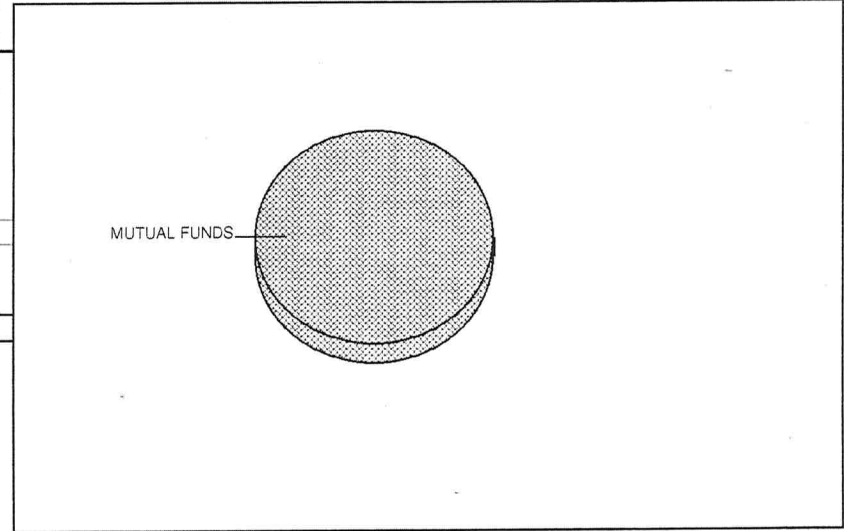
**ASSET SUMMARY MESSAGES**

Estimated Annual Income is an estimate provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

**ASSET SUMMARY**

ASSETS	08/31/2019 MARKET	08/31/2019 BOOK VALUE	% OF MARKET
Cash And Equivalents	75,097.15	75,097.15	0.26
Mutual Funds-Equity	18,363,708.07	16,998,760.97	63.23
Mutual Funds-Fixed Income	10,603,522.15	10,176,620.24	36.51
<b>Total Assets</b>	<b>29,042,327.37</b>	<b>27,250,478.36</b>	<b>100.00</b>
Accrued Income	128.71	128.71	0.00
<b>Grand Total</b>	<b>29,042,456.08</b>	<b>27,250,607.07</b>	<b>100.00</b>

Estimated Annual Income                      680,489.40



**ASSET SUMMARY MESSAGES**

Estimated Annual Income is an estimate provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.



**SunLine Transit Agency**

**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Quarterly Capital Project Update for 3<sup>rd</sup> Quarter Calendar Year 2019

Summary:

The capital projects update summarizes the quarterly status of the large capital projects that are in progress. For the 3<sup>rd</sup> quarter of calendar year 2019, there are 12 large projects in progress.

Recommendation:

Receive and file.

QUARTERLY CAPITAL PROJECT UPDATES 3RD QUARTER CALENDAR YEAR 2019

Project Title	Brief Description	Current Status	Funding
CNG Fueling Station	CNG station will be located at Division I and will replace the existing station that has exceeded its useful life.	Temporary fueling dispensers have been installed and are in service. New public dispenser has been installed at Division II. County permits are being finalized to commence construction.	\$8,000,778
Solar Carports	Project to complete solar carports at the Administrative building parking lot at Division I.	Solar carport installation has been completed. Project is in close-out phase.	\$656,815
Replacement Operations Facility	Replacement Operations Facility will allow SunLine to complete the demolition and removal of the existing Operations buildings in Division I.	Construction kick-off meeting with the design-build firm was held. The contractor is in process of submitting preliminary project documents.	\$8,100,000
5 Hydrogen Buses & Onsite Hydrogen Fueling Station	This project will deploy five (5) new 40' fuel cell electric buses along with the upgrade of SunLine's existing hydrogen refueling station with a new electrolyzer.	All five (5) buses have been delivered to SunLine and are in service. Commissioning of the hydrogen station is in progress.	\$15,571,561
Transportation Demand Management – Vanpool	Program will assist riders in identifying the correct mode of transportation given their particular transportation needs. This project will help reduce single occupant vehicle trips within the Coachella Valley and surrounding areas which will help improve air quality and ease congestion. This program features a Vanpool Pilot program to assist in the agricultural community and large employers.	Contract terms with the service provider have been extended to three (3) additional years to provide the Transportation Demand Management (TDM) services.	\$1,990,000
Transit Redesign & Network Analysis	Project to conduct study to provide comprehensive analysis to SunLine's fixed route bus and paratransit bus system to accomplish reliability and passenger convenience of its services.	Transit study work has been completed; project is in the closing stage.	\$450,000
Purchase Support Vehicles	Project is to purchase twelve (12) relief and supervisor vehicles (Chevy Bolt electric cars) and eight (8) CNG pickup trucks.	All twelve (12) Chevy Bolts have been received and are in service. Eight (8) CNG pickup trucks are in the process of being delivered.	\$917,997

QUARTERLY CAPITAL PROJECT UPDATES 3RD QUARTER CALENDAR YEAR 2019

Utility Infrastructure Upgrades	Project to upgrade on and off-site electric power at Division I.	On and off-site work to provide additional power to the Agency has been completed. Project is in closing stage.	\$1,265,230
Facility Improvements Division II	Project will provide much needed improvements at Division II such as: roof repair, relocating operator and dispatch area along with other improvements as needed.	Roof repairs have been completed. Preliminary drawings for the operators' and supervisors' area are being completed for SunLine's review and approval.	\$1,000,000
Center of Excellence Facility	Project will provide a facility that will serve as a maintenance bay for the zero emission vehicles.	Currently in negotiations with a potential design firm.	\$2,418,458
Purchase of two (2) CNG MCI over the road replacement buses	Project to procure two (2) 55 passenger over the road MCI CNG buses.	Purchase Order for procuring the buses has been issued.	\$1,682,612
Purchase of six (6) CNG New Flyer fixed route replacement buses	Project to procure six (6) New Flyer CNG buses.	Purchase Order for procuring the buses has been issued.	\$4,080,982

**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Ridership Report for September 2019

Summary:

System-wide ridership in September 2019 increased 0.3% versus September 2018.

<b>Monthly Ridership</b>		
	<b>Sep-18</b>	<b>Sep-19</b>
Fixed Route	337,164	338,300
SolVan	1,872	1,304
Sundial	12,530	12,873
<b>System Total</b>	<b>351,566</b>	<b>352,477</b>

Factors to consider when comparing to last year:

- One additional weekday in September 2019 in comparison to September 2018.

Year-to-date system ridership as of September 2019 has increased 1.9% in comparison to the previous fiscal year.

<b>YTD Ridership</b>	
	<b>Sep</b>
Fiscal Year 2019	955,959
Fiscal Year 2020	974,201
<b>Ridership Increase</b>	<b>18,242</b>

Recommendation

Receive and file.



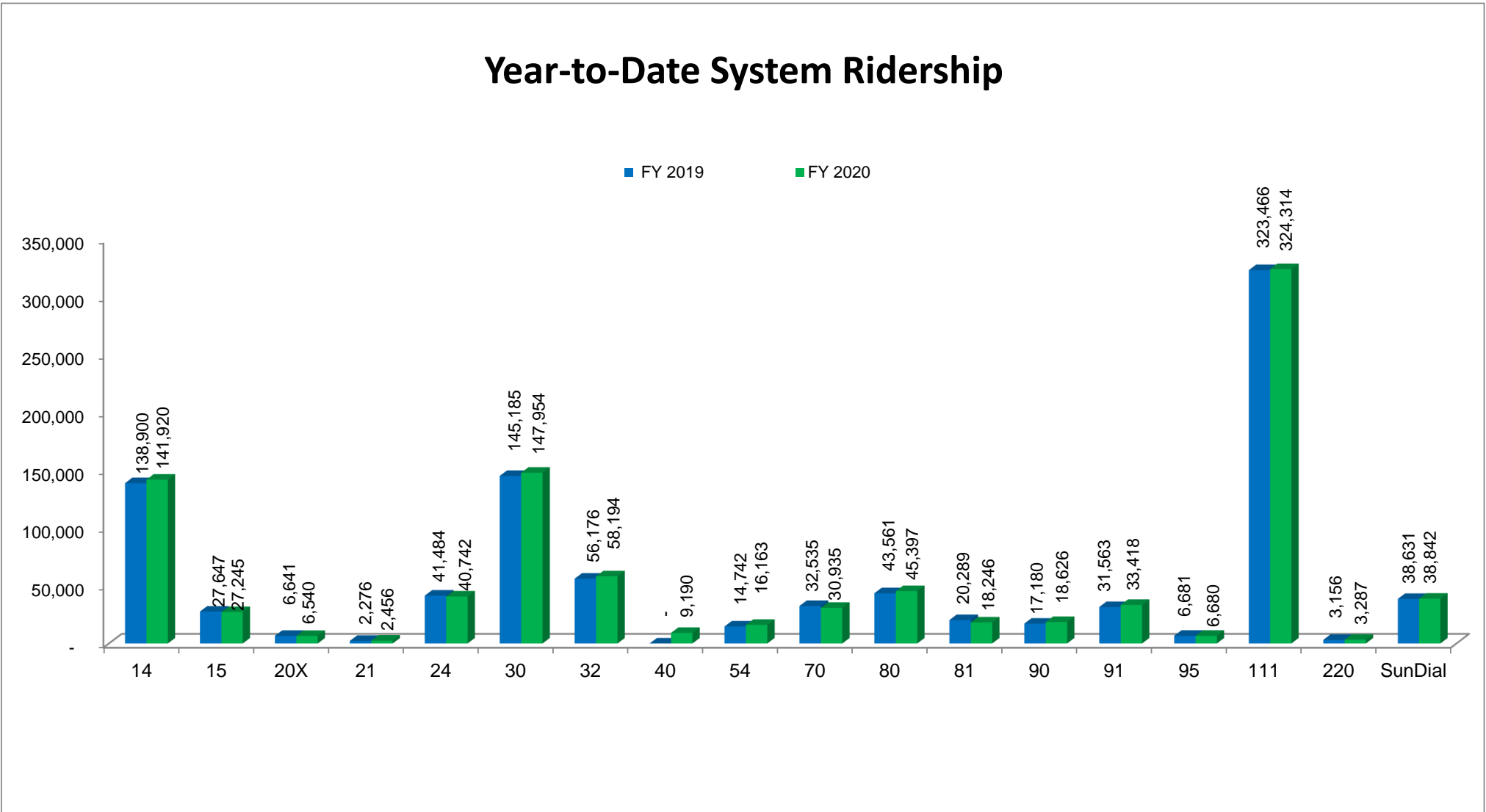
## SunLine Transit Agency Monthly Ridership Report September 2019

		FY 2020 & 2019													
		Sep 2019	Sep 2018	Aug 2019	FY 2020 Month Var.	% Var.	FY 2020 YTD	FY 2019 YTD	YTD Var.	% Var.	Bikes		Wheelchairs		
Route	Fixed Route Description									Monthly	YTD	Monthly	YTD		
14	DHS/PS	49,494	49,870	48,316	(376)	-0.8%	141,920	138,900	3,020	2.2%	1,655	4,692	358	1,164	
15	DHS	10,308	10,567	9,738	(259)	-2.5%	27,245	27,647	(402)	-1.5%	164	541	136	455	
20X	DHS/PD	2,924	2,911	1,885	13	0.4%	6,540	6,641	(101)	-1.5%	60	184	2	16	
21	PD	1,141	1,129	728	12	1.1%	2,456	2,276	180	7.9%	24	65	13	32	
24	PS	14,954	14,551	14,257	403	2.8%	40,742	41,484	(742)	-1.8%	432	1,374	162	488	
30	CC/PS	50,892	49,787	51,214	1,105	2.2%	147,954	145,185	2,769	1.9%	1,816	5,398	448	1,273	
32	PD/RM/TP/CC/PS	20,998	21,067	19,865	(69)	-0.3%	58,194	56,176	2,018	3.6%	867	2,594	218	568	
40	PS/BUZZ	2,640	-	2,930	2,640	100.0%	9,190	-	9,190	100.0%	-	-	-	-	
54	Indio/LQ/IW/PD	7,652	7,028	4,584	624	8.2%	16,163	14,742	1,421	9.6%	212	570	69	128	
70	LQ/BD	13,178	14,265	9,349	(1,087)	-8.2%	30,935	32,535	(1,600)	-4.9%	533	1,428	44	102	
80	Indio	19,082	18,207	14,231	875	4.6%	45,397	43,561	1,836	4.2%	349	1,209	242	628	
81	Indio	8,454	9,010	5,624	(556)	-6.6%	18,246	20,289	(2,043)	-10.1%	54	283	26	97	
90	Coachella/Indio	6,306	6,076	6,348	230	3.6%	18,626	17,180	1,446	8.4%	71	253	91	316	
91	I/Cch/Th/Mec/Oas	13,560	12,912	11,136	648	4.8%	33,418	31,563	1,855	5.9%	236	648	85	172	
95	I/Cch/Th/Mec/NS	2,183	2,343	2,277	(160)	-7.3%	6,680	6,681	(1)	0.0%	20	97	6	51	
111	PS to Indio	113,535	116,508	106,447	(2,973)	-2.6%	324,314	323,466	848	0.3%	4,762	13,984	1,049	2,985	
220	PD to Riverside	999	933	1,067	66	6.6%	3,287	3,156	131	4.2%	31	106	9	47	
<b>Fixed Route Total</b>		<b>338,300</b>	<b>337,164</b>	<b>309,996</b>	<b>1,136</b>	<b>0.3%</b>	<b>931,307</b>	<b>911,482</b>	<b>19,825</b>	<b>2.2%</b>	<b>11,286</b>	<b>33,426</b>	<b>2,958</b>	<b>8,522</b>	
<b>SolVan</b>		1,304	1,872	1,376	(568)	-30.3%	4,052	5,846	(1,794)	-30.7%					
<b>Demand Response</b>															
<b>SunDial</b>		12,873	12,530	13,035	343	2.7%	38,842	38,631	211	0.5%					
<b>System Total</b>		<b>352,477</b>	<b>351,566</b>	<b>324,407</b>	<b>911</b>	<b>0.3%</b>	<b>974,201</b>	<b>955,959</b>	<b>18,242</b>	<b>1.9%</b>					
		<b>Sep-19</b>	<b>Sep-18</b>	<b>Aug-19</b>											
Weekdays:		20	19	22											
Saturdays:		4	5	5											
Sundays:		* 6	* 5	5											
Total Days:		30	29	32											

\*Haul Pass Ridership was 28,315 from 1,526 unique riders. Mobile Ticketing Ridership was 10,485 from 370 unique riders.

SunLine Transit Agency  
 Monthly Ridership Report  
 September - 2019

Year-to-Date System Ridership



**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: SunDial Operational Notes for September 2019

Summary:

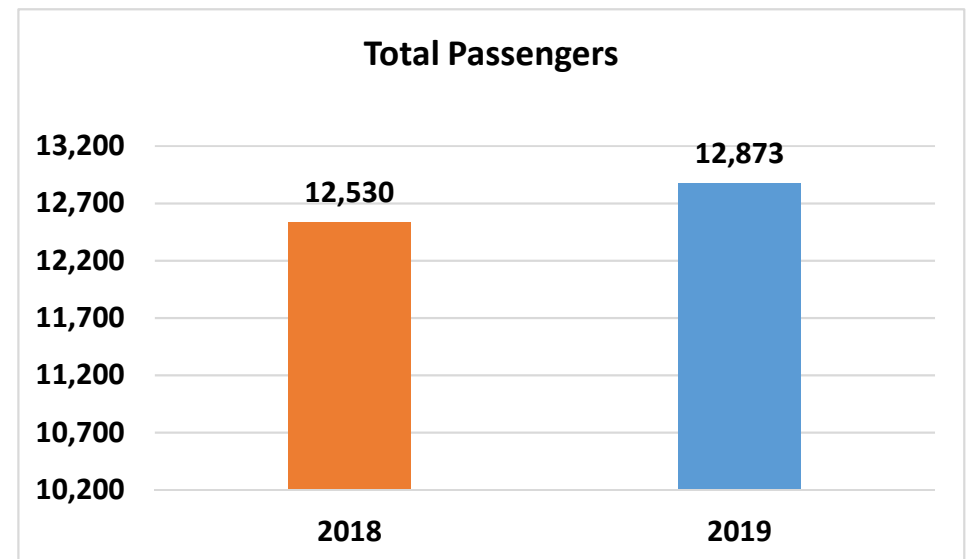
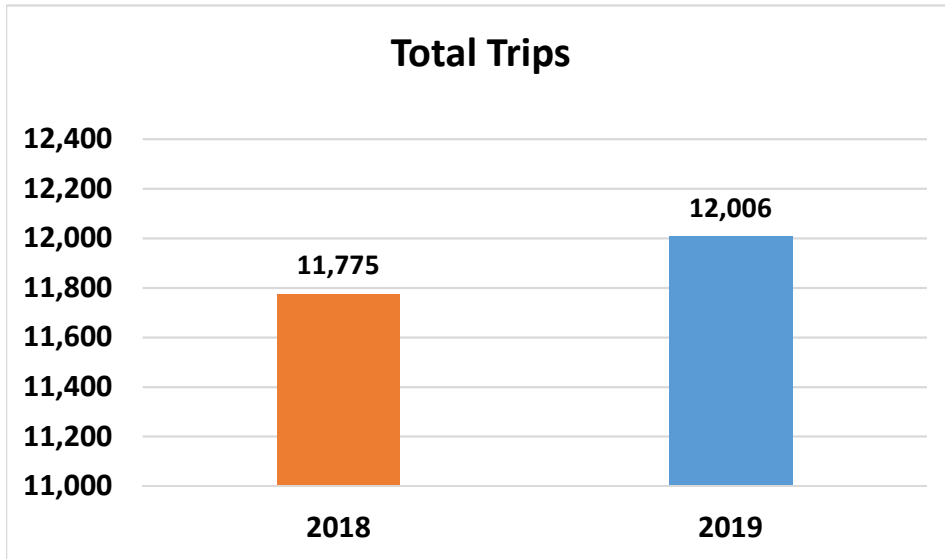
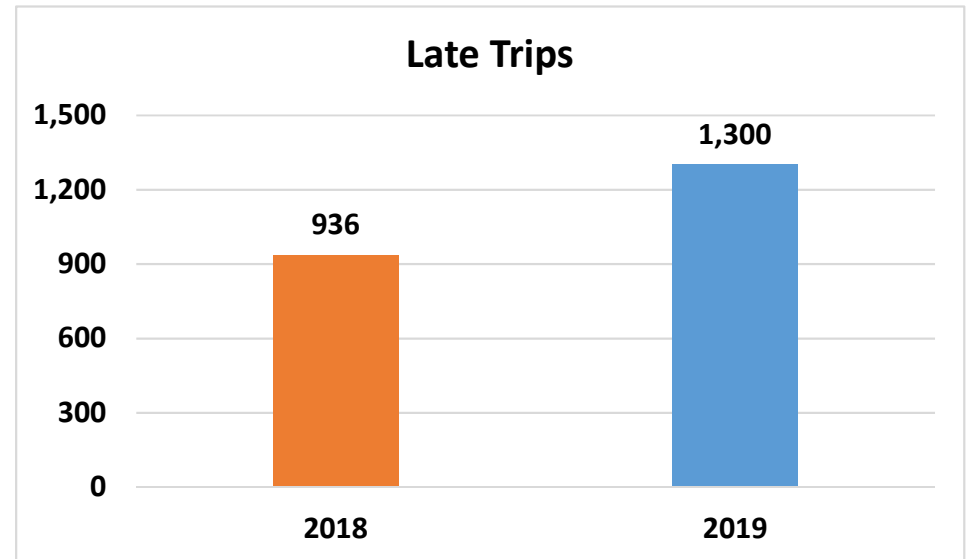
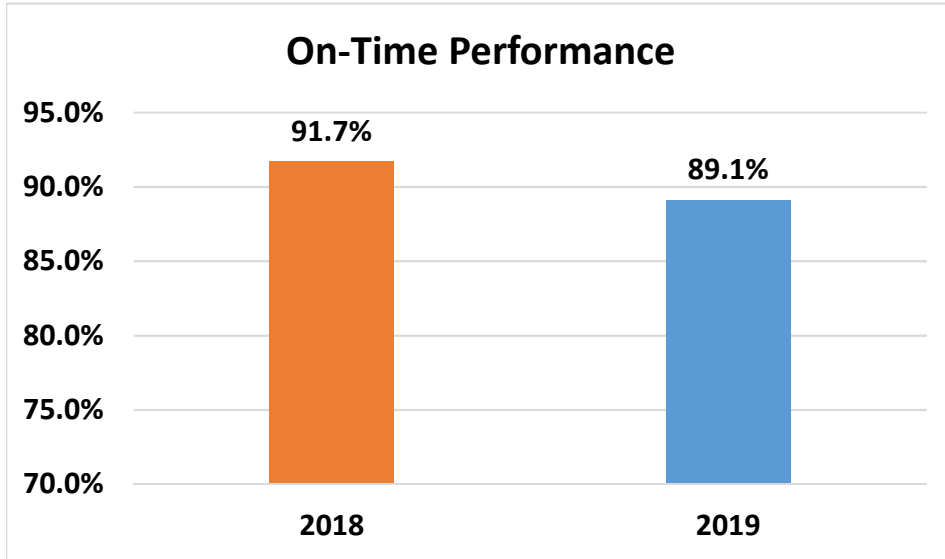
The attached report summarizes SunDial's operation for September 2019. The report identifies that the on-time performance for this month is 0.9% under the Agency's internal 90.0% operational goal, however SunDial's operation continues to stay within the standards set forth by the FTA. This period saw a 1.9% increase in trips and a 2.7% increase in ridership along with a 6.0% increase in mobility device boardings. Road supervision continues to focus on ride along evaluations, onboard inspections and safety evaluations.

Recommendation:

Receive and file.

# SunDial Operational Notes

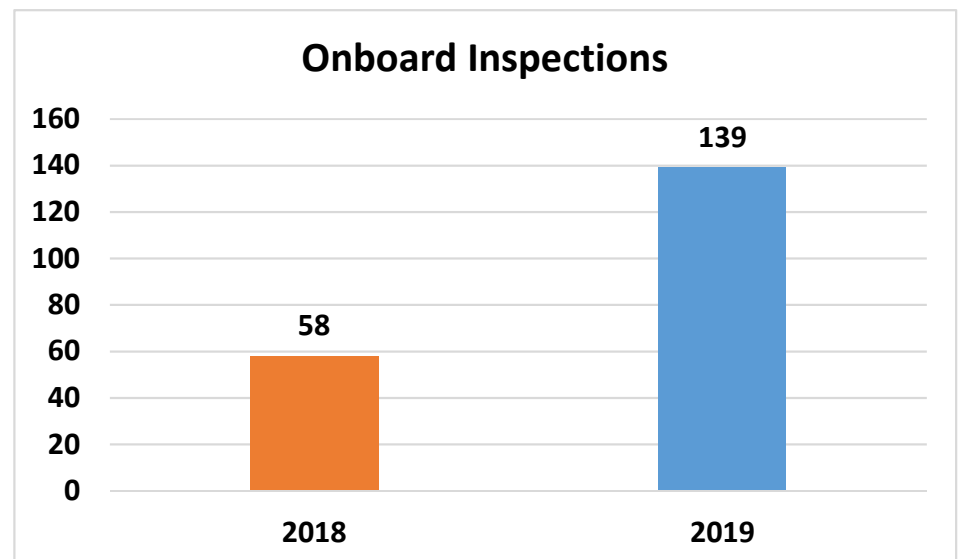
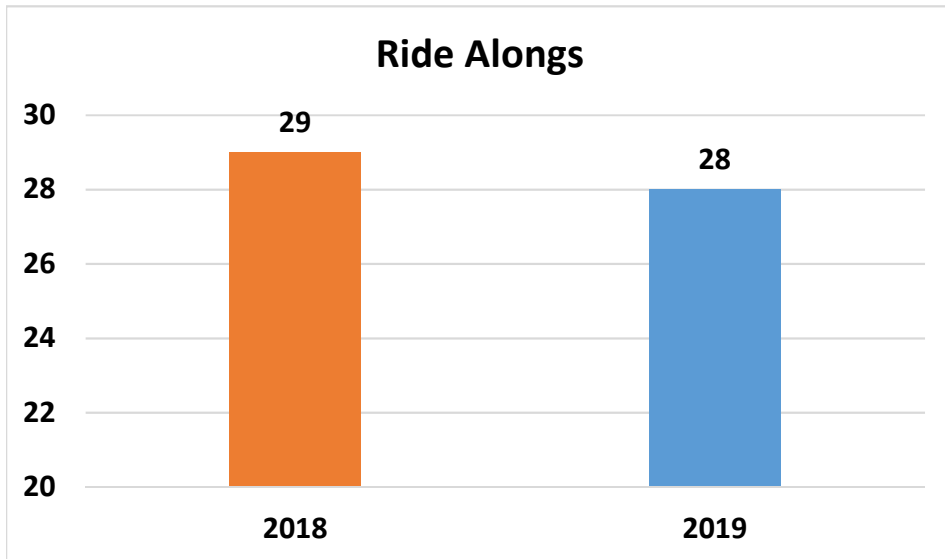
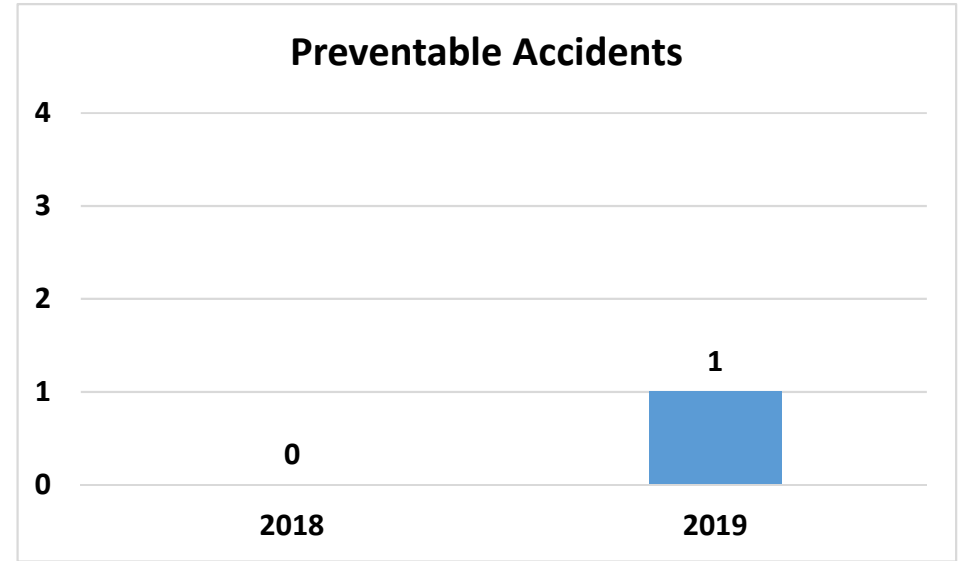
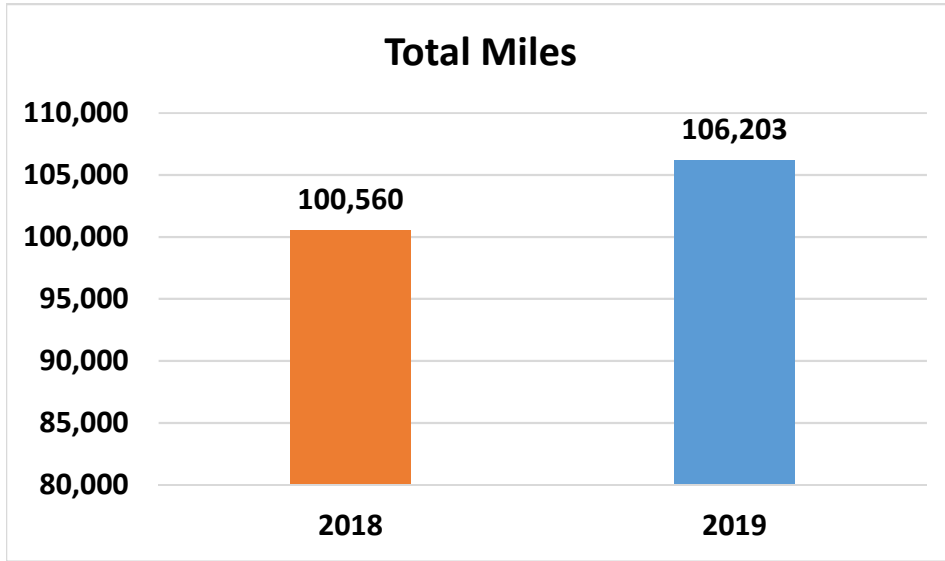
## SEPTEMBER 2018/2019





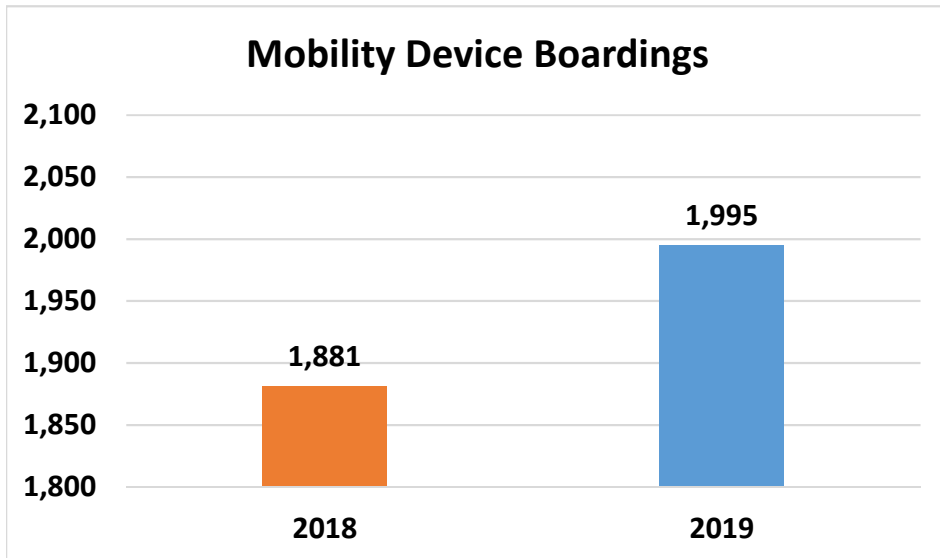
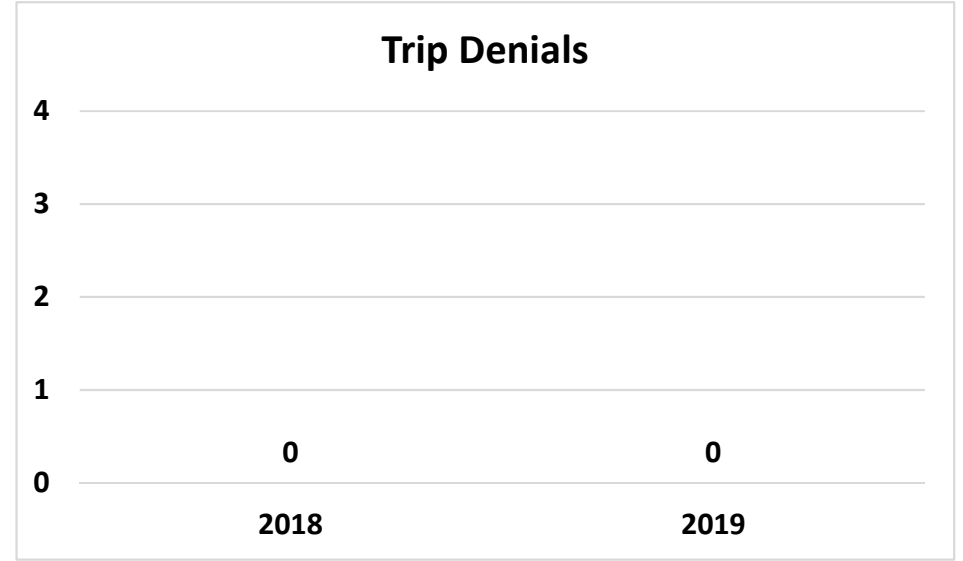
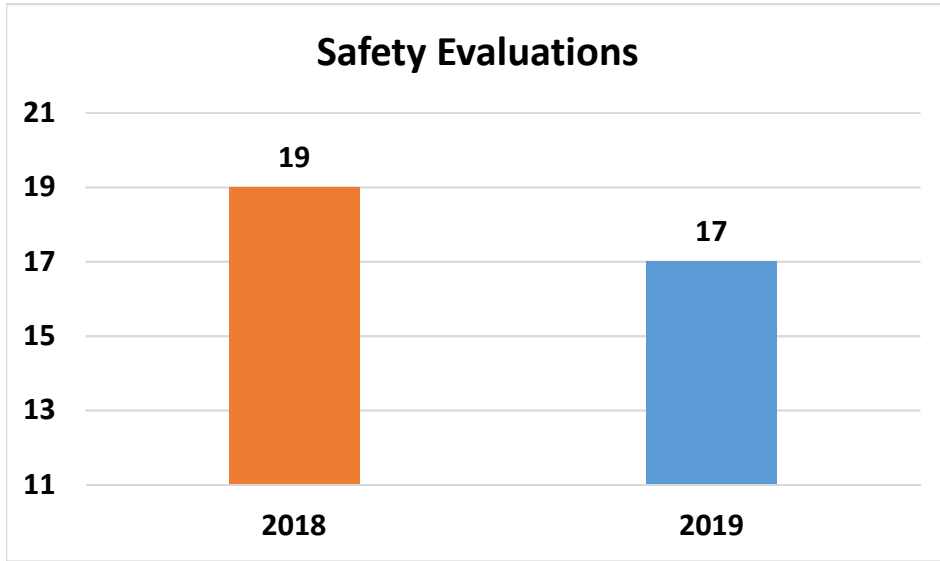
# SunDial Operational Notes

## SEPTEMBER 2018/2019



# SunDial Operational Notes

## SEPTEMBER 2018/2019



**SunLine Transit Agency**  
**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Metrics for October 2019

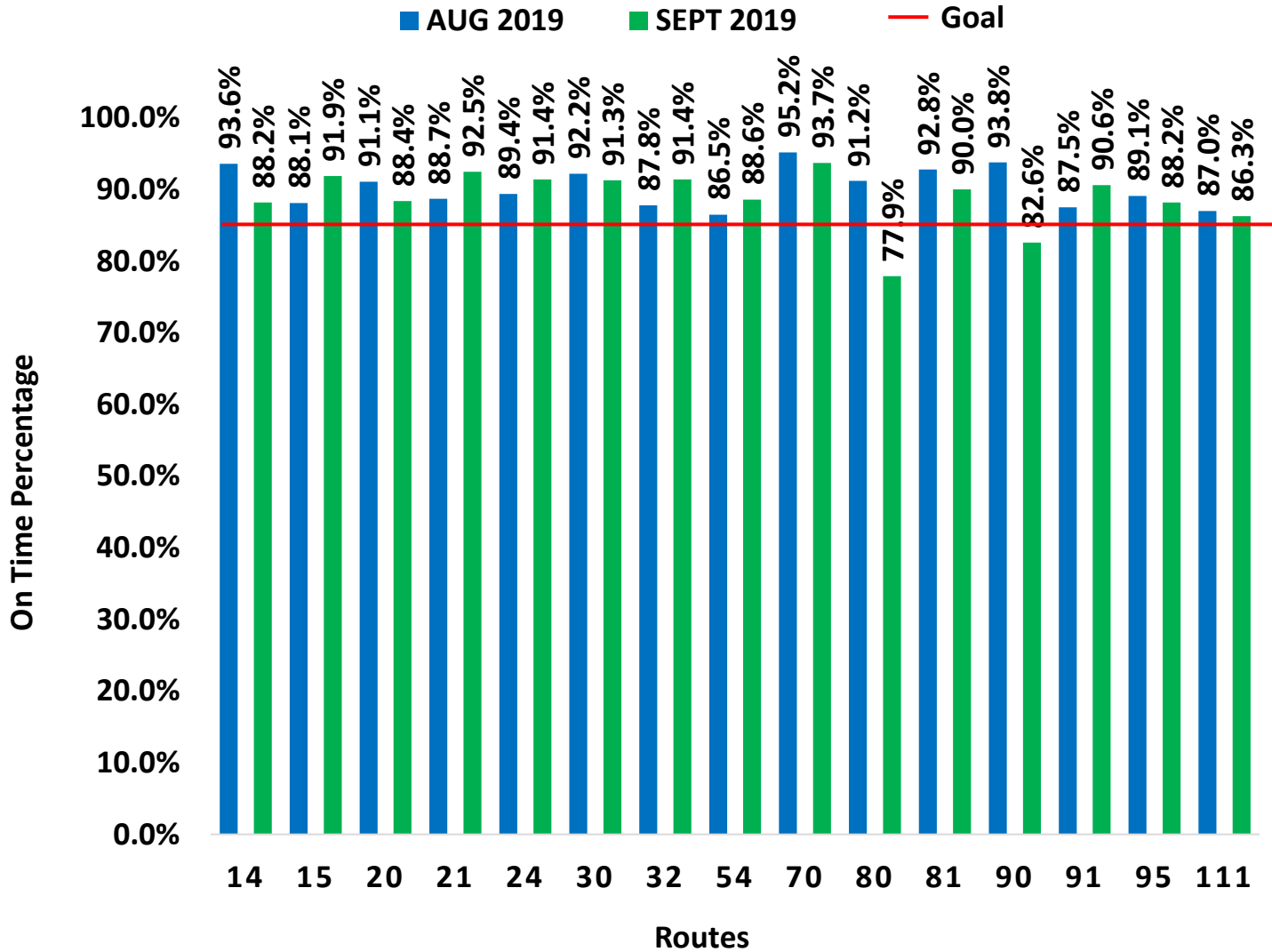
Summary:

The metrics packet includes data highlighting on-time performance, early departures, late departures, late cancellations, driver absence, advertising revenue, fixed route customer comments, paratransit customer comments, and system performance.

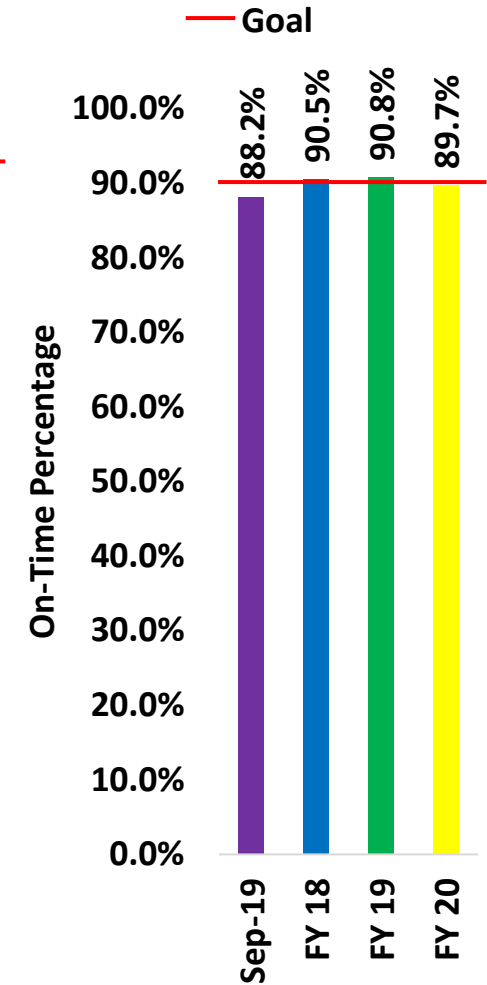
Recommendation:

Receive and file.

## On-Time Performance Percent by Route

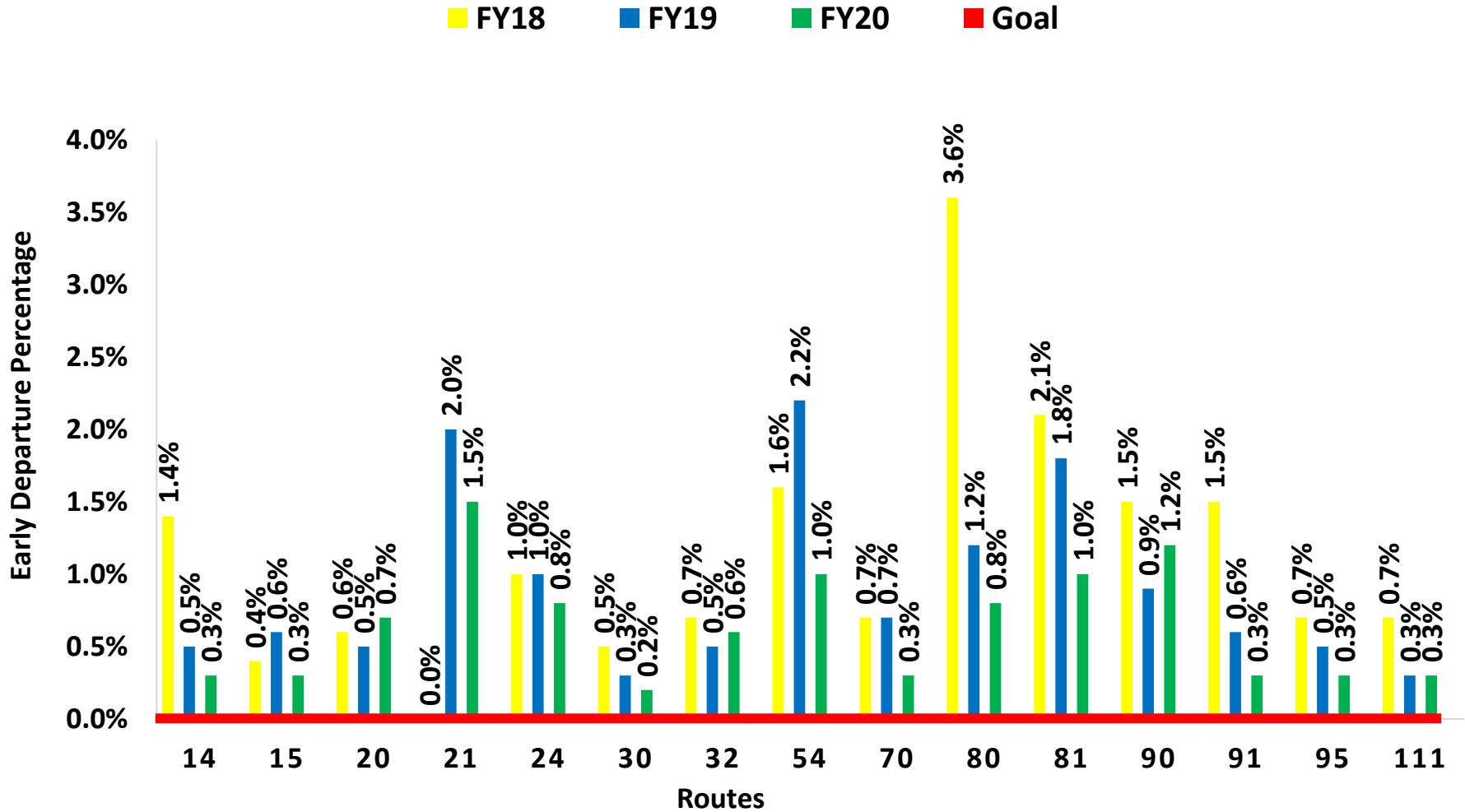


## On Time Performance System Wide



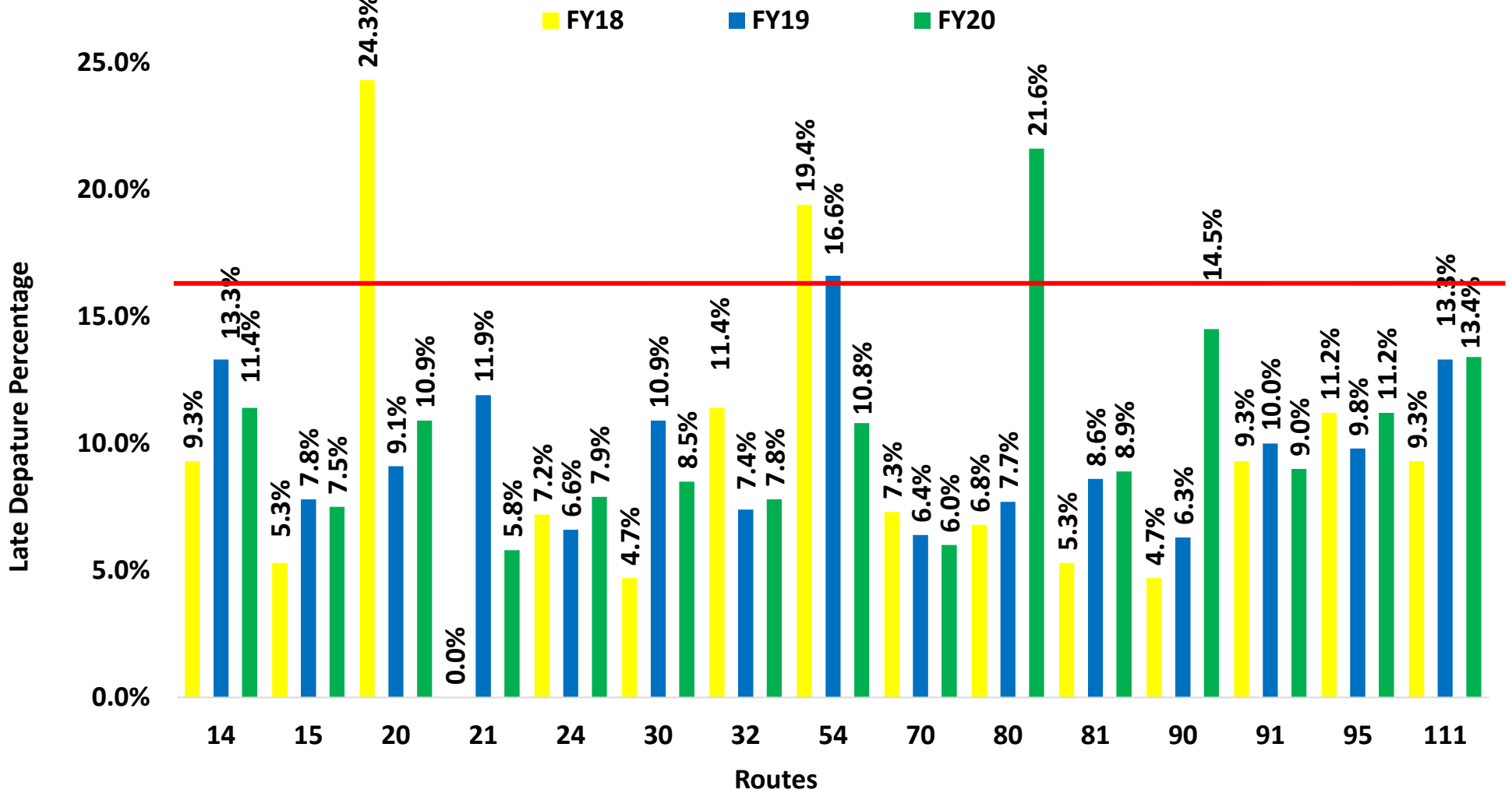
Definition: "On-Time" - when a trip departs a time point within range of zero minutes early to five minutes late.  
 Goal: Minimum target for On-Time performance is 85%.  
 Exceptions: Detours, train stuck on tracks, passenger problems, Information Technology System issues.

# Early Departures by Route FYTD



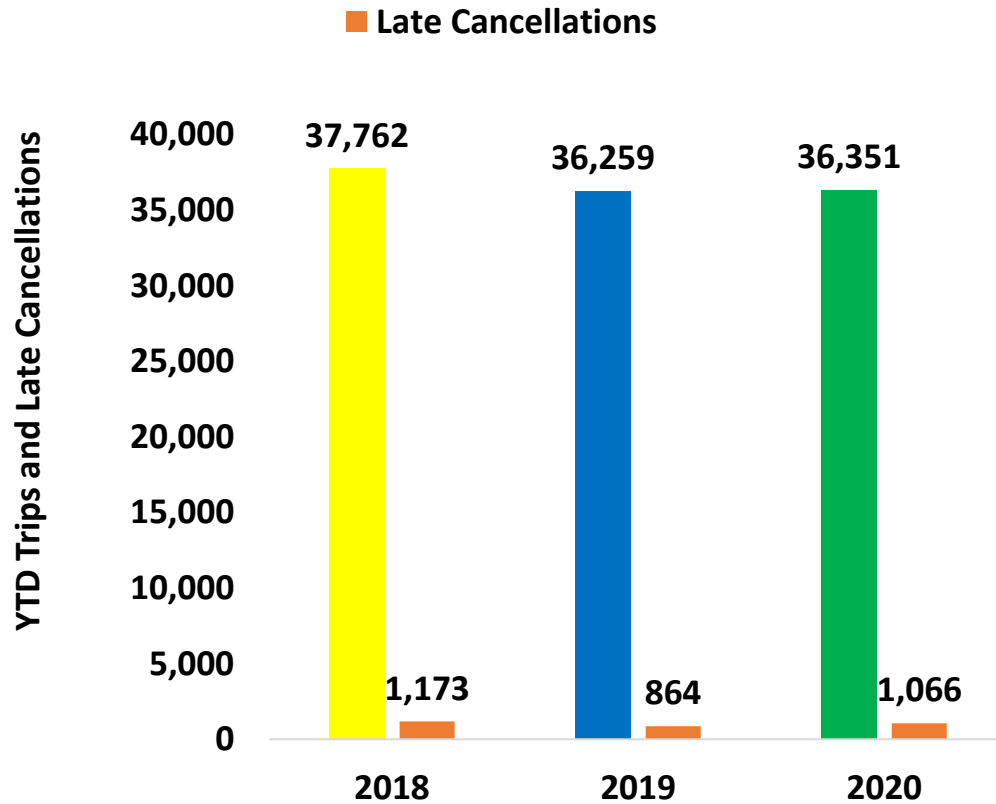
Definition: When a bus leaves a time point, ahead of the scheduled departure time.  
 Goal: To reduce early departures to 0% for each route.

# Late Departure Percent by Route September

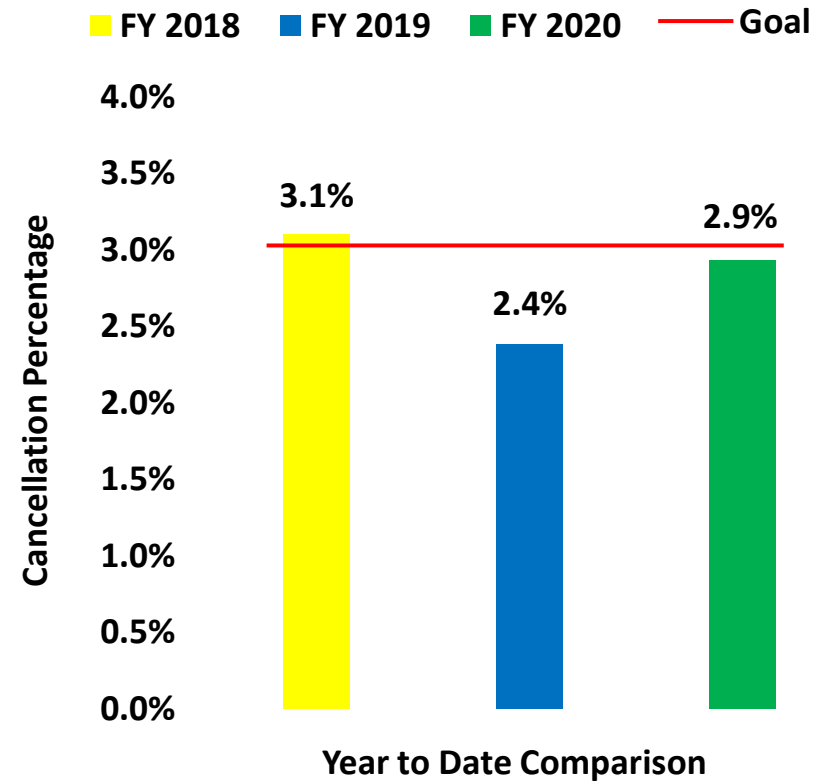


Late Definition: When a bus leaves a time point after the scheduled departure time.  
 The line is running late with a departure greater than 5 minutes.  
 Goal: To reduce late departures to 15%

## Total Trips vs Late Cancellations FYTD



## Late Cancellation Percentage FYTD

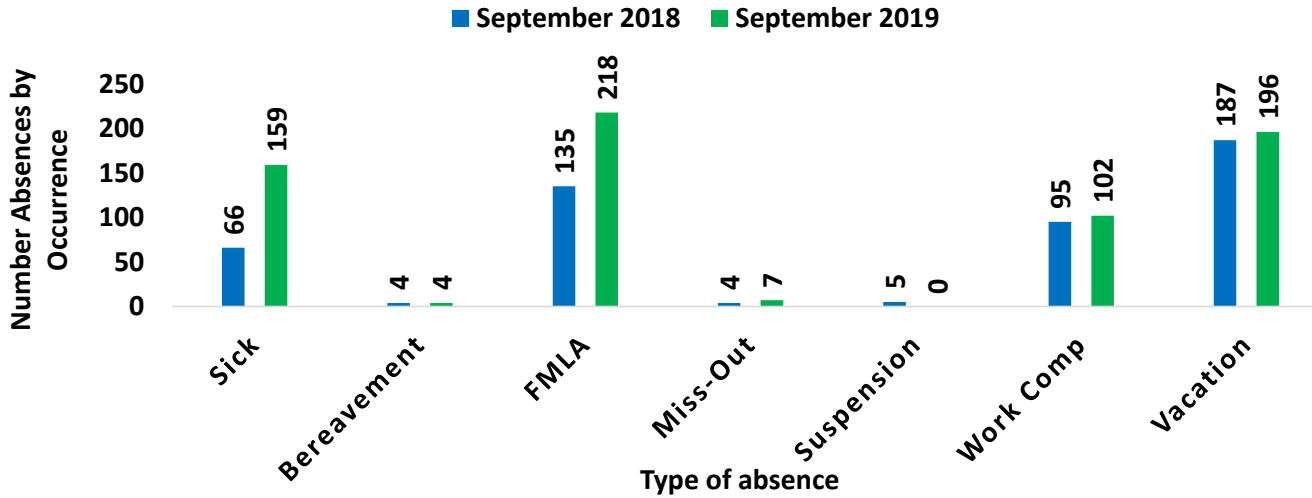


**Trip:** A one-way ride booked by the client. A round trip is counted as two trips.

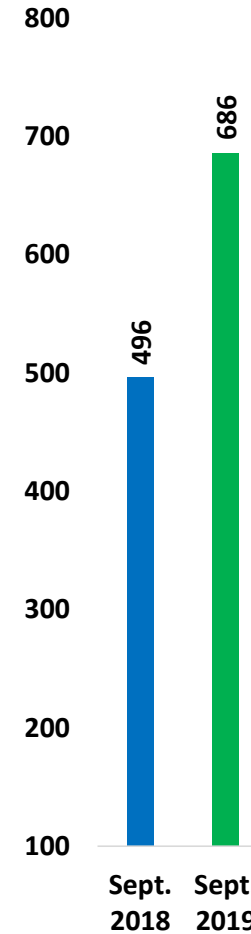
**Late cancellation:** A trip for which an ADA client does not cancel within 2 hours before the scheduled pick up time.

**Goal for Late Cancellations:** 3% or below.

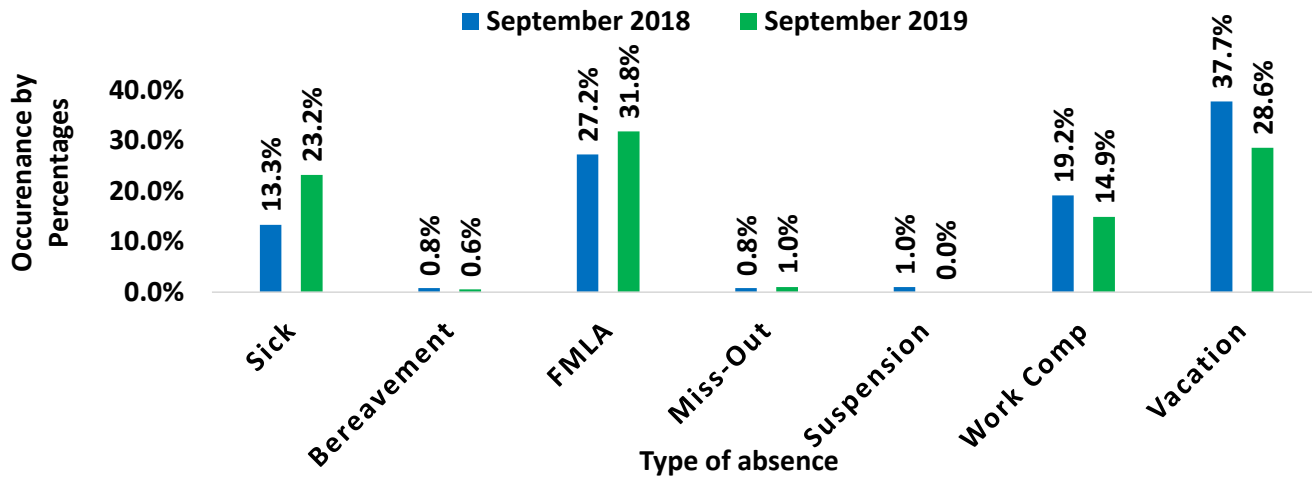
## Driver Absence Occurrences



## Total Absence Occurrences



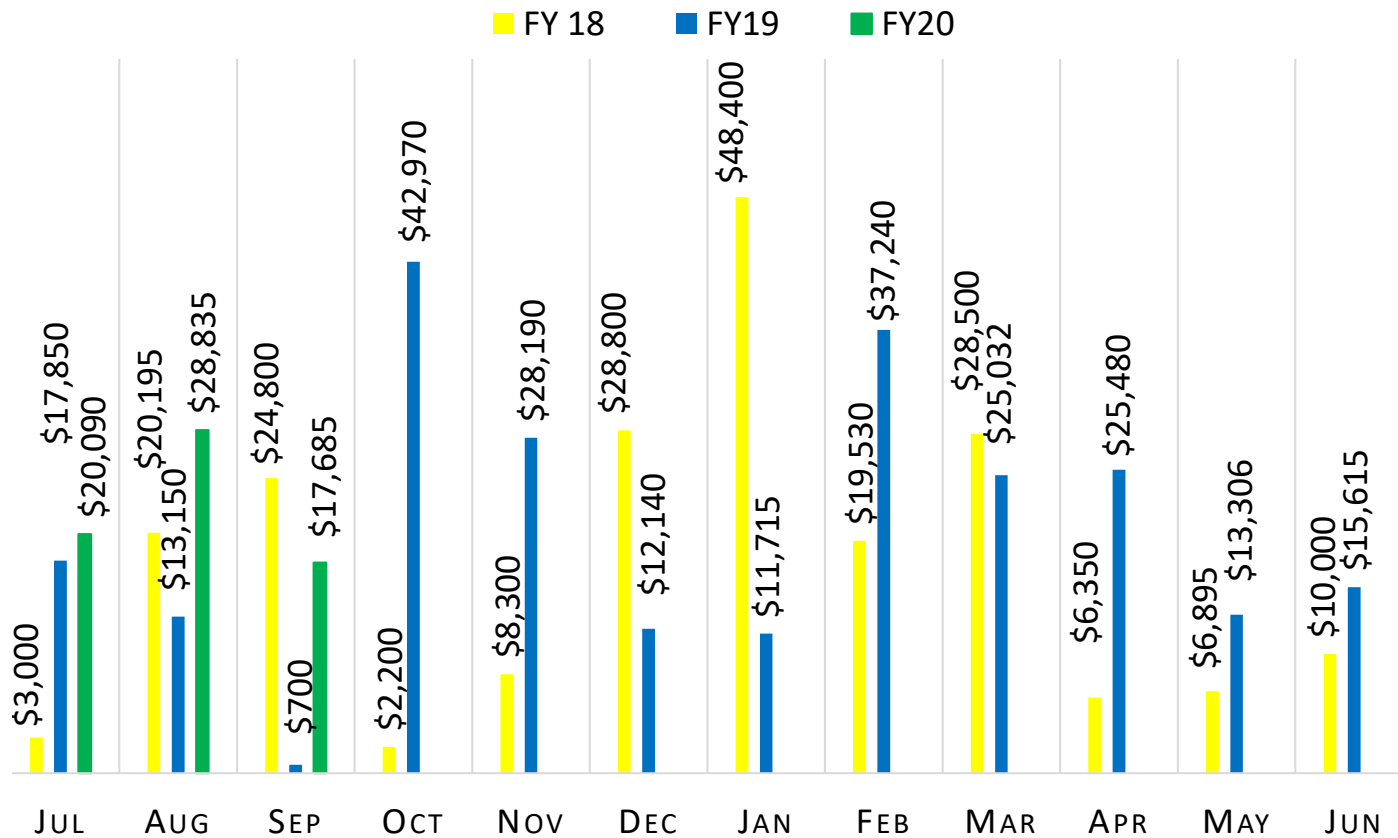
## Driver Absence Occurrences by Percentages



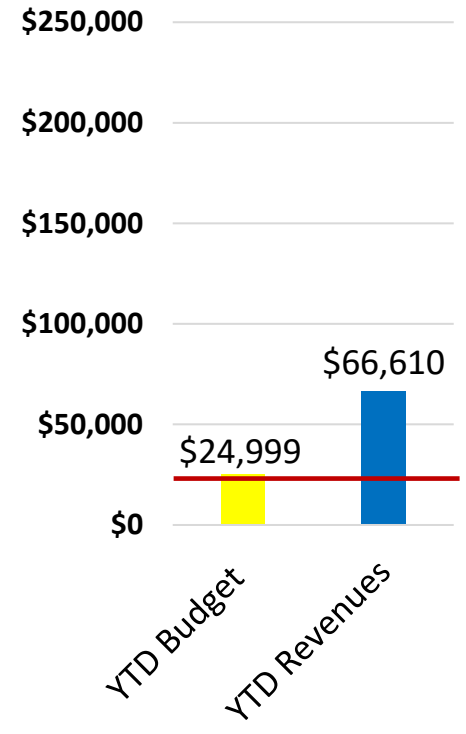
Goal: reduce by 2% - By enforcing attendance policy regularly and monitor trending – Absences include unscheduled for Fixed Route drivers.



# Advertising Revenue - September 2019 - YTD FY20

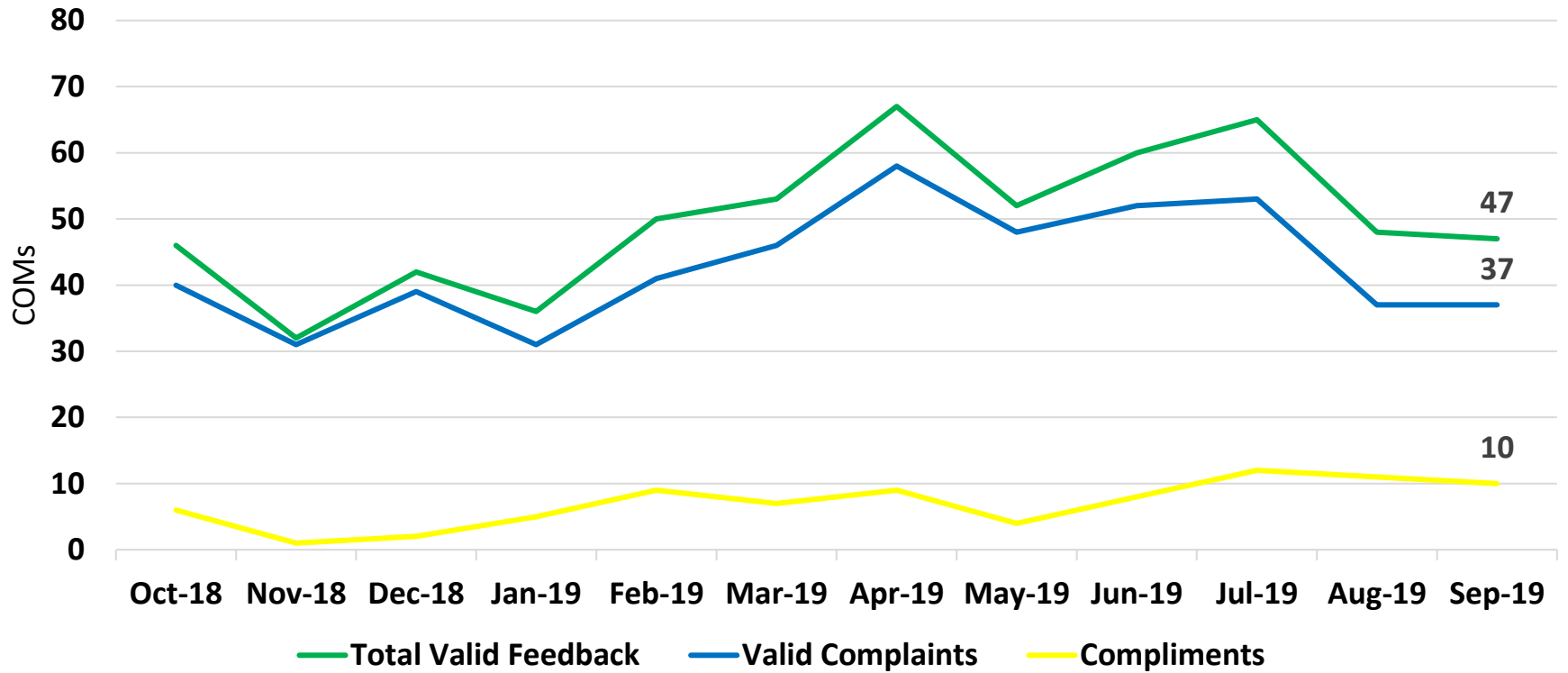


## YTD Budget vs YTD Agency Revenue September FY20



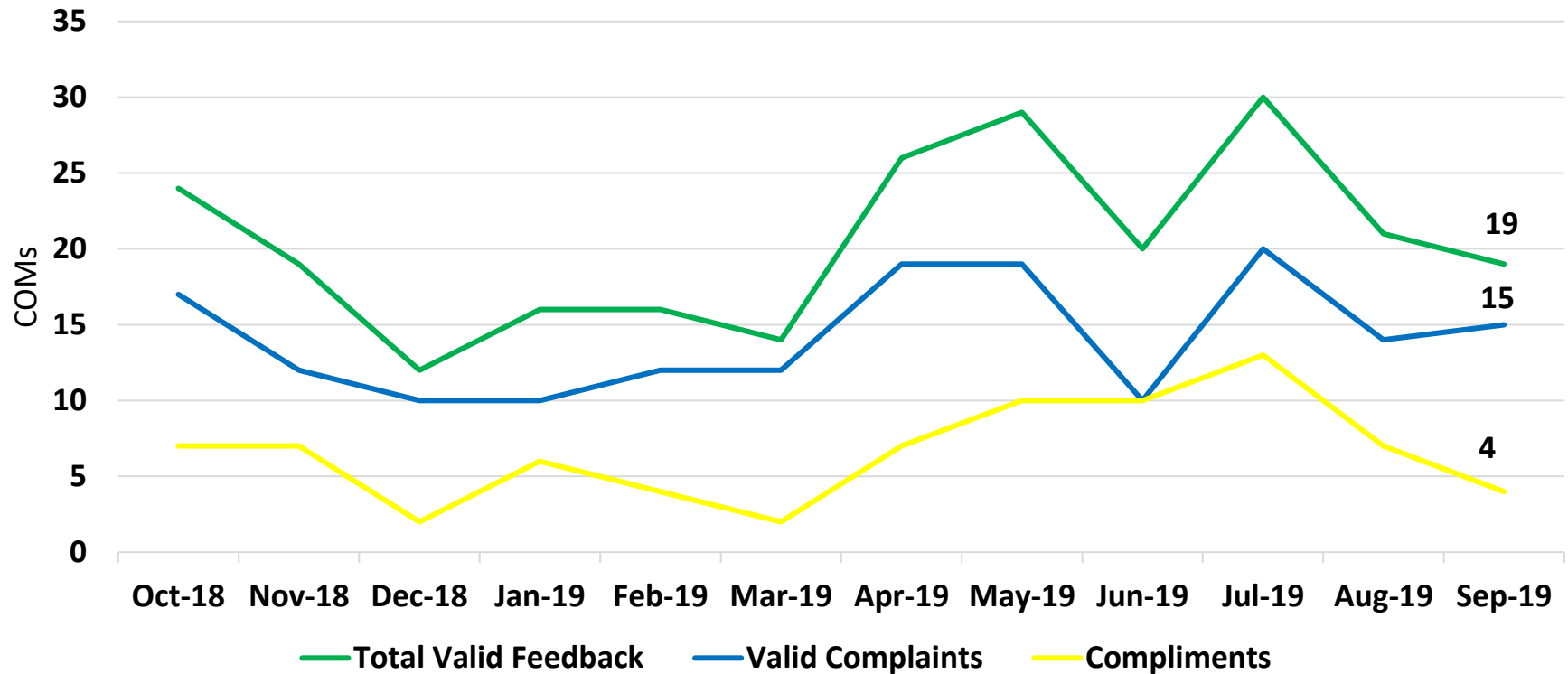
Advertising tracks dollar amount of invoiced contracts for shelter and exterior bus advertising. This section of the chart compares the FY20 YTD against FY18 and FY19 YTD total. The graph tracks YTD revenue accrued vs the YTD budget. The annual budgeted amount for FY20 is \$100,000.

## Fixed Route Customer Feedback for September 2019



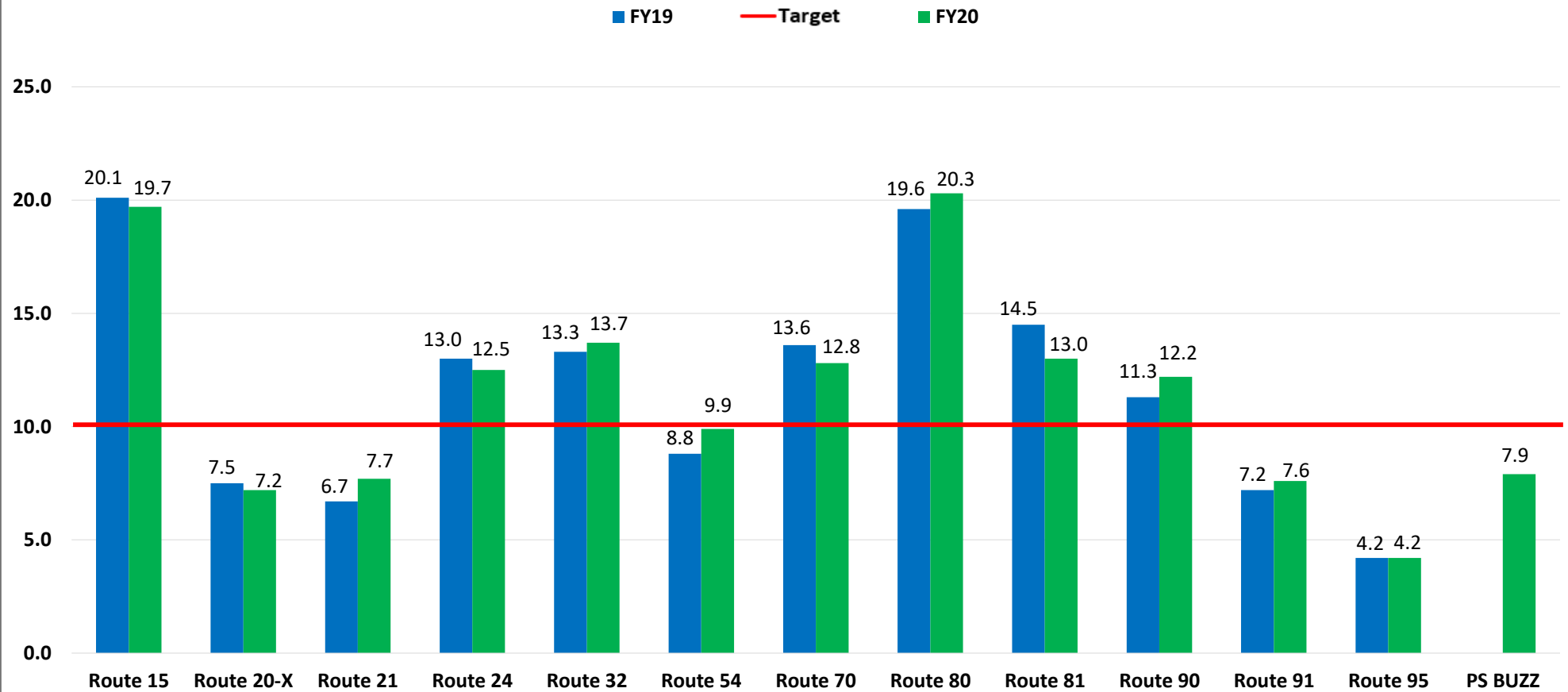
Valid fixed route feedback comprised of compliments and complaints for August 2019

## Paratransit Customer Feedback for September 2019



Valid paratransit feedback comprised of compliments and complaints for August 2019

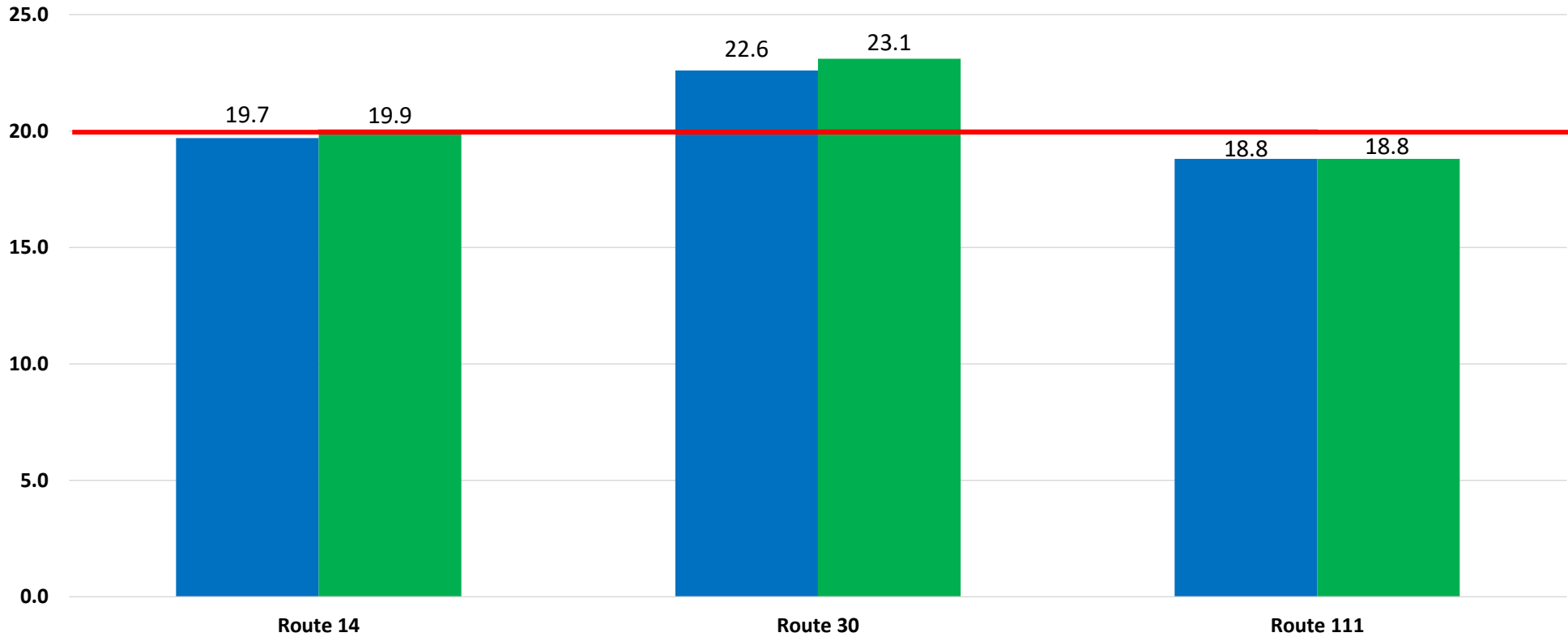
## YTD System Performance - Local Routes September 2019



The chart above represents the system performance on local routes for Passenger Per Revenue Hour (PPRH). The goal for local fixed routes is 10 PPRH. The FY 19/20 goal is based on Board approved Service Standards Policy (B-190613). Local Routes are secondary routes that connect to the trunk routes and supplement the SunBus network.

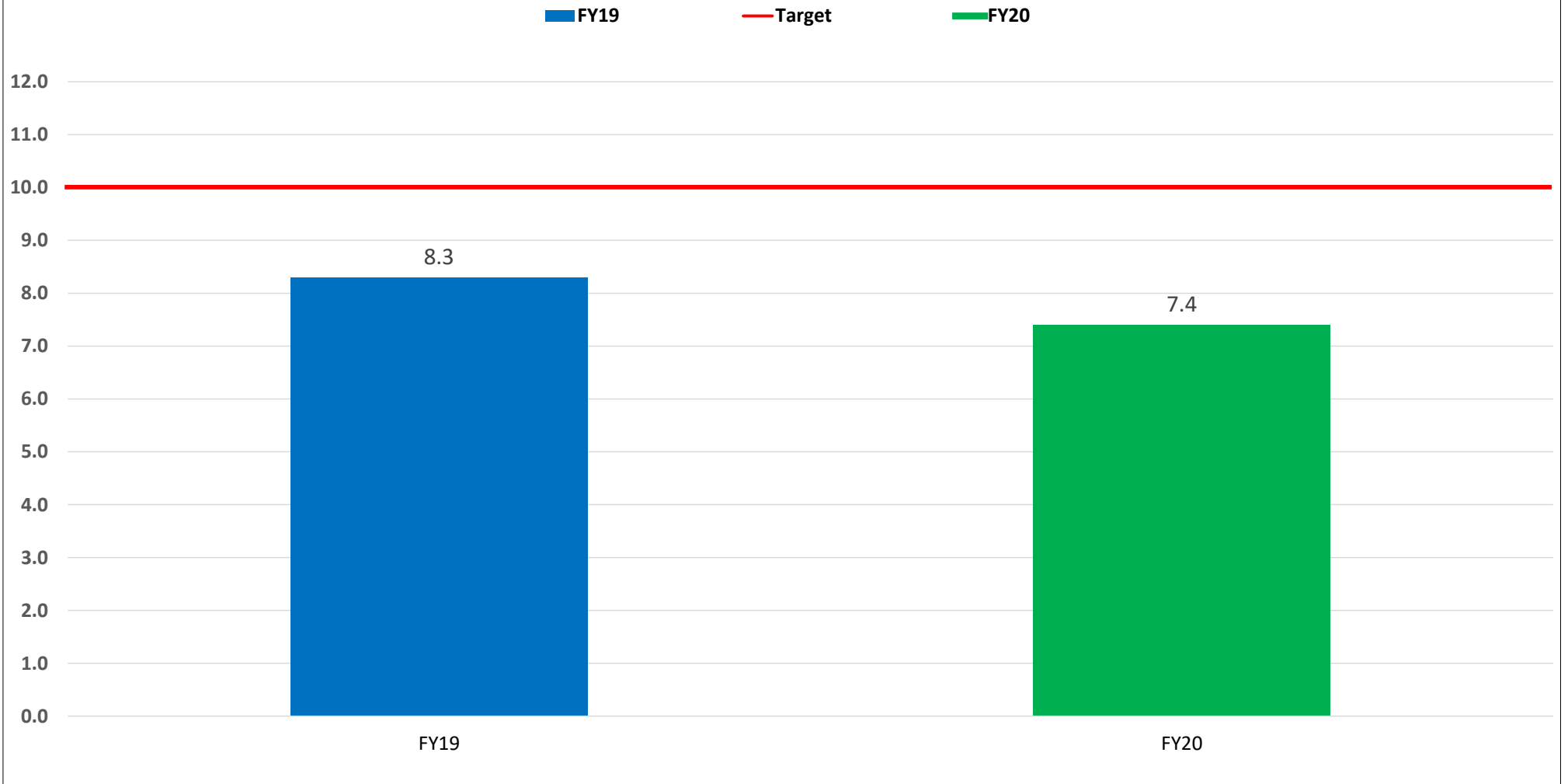
### YTD System Performance - Trunk Routes September 2019

FY19      FY20      Target



The chart above represents the system performance on trunk routes for Passenger Per Revenue Hour (PPRH). The goal for trunk fixed routes is 20 PPRH. The FY 19/20 goal is based on Board approved Service Standards Policy (B-190613). Trunk Routes are highly traveled corridors serving a variety of trip purposes and connect a variety of regional destinations.

### YTD System Performance - Regional Service Commuter Link 220 - September 2019



The chart above represents the system performance target for regional service on the Link 220 which is based on Passenger Per Revenue Trip (PPRT). The goal for regional service is 10 PPRT. The FY 19/20 goal is based on Board approved Service Standards Policy (B-190613).

**SunLine Transit Agency**

**CONSENT CALENDAR**

DATE: October 23, 2019

**RECEIVE & FILE**

TO: Finance/Audit Committee  
Board of Directors

RE: Board Member Attendance for August 2019

Summary:

The attached report summarizes the Board of Directors' attendance for fiscal year-to-date August 2019.

Recommendation:

Receive and file.

FY 19/20	Board Member Matrix Attendance													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Meetings	Total Attended
Desert Hot Springs	X		X										10	2
Palm Desert	X		X										10	2
Palm Springs			X										10	1
Cathedral City	X		X										10	2
Rancho Mirage	X		X										10	2
Indian Wells	X		X										10	2
La Quinta	X		X										10	2
Indio	X		X										10	2
Coachella			X										10	1
County of Riverside	X												10	1

**X - ATTENDED (Primary/Alternate)**

**DARK –**



**SunLine Transit Agency**

**DATE:** October 23, 2019 **INFORMATION**

**TO:** Finance/Audit Committee  
Board of Directors

**FROM:** Luis Garcia, Deputy Chief Financial Officer

**RE:** FY19 Annual Financial and Single Audit Report Update

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**Background**

For the past three (3) fiscal years, SunLine has been able to complete and submit its financial audit reports by the October Board meeting. However, for fiscal year 2019, SunLine's financial audit reports will not be completed until the end of October, and staff will bring them to the next Board meeting on December 4, 2019.

The cause of the delay is attributed to a new Government Accounting Standards Board (GASB) requirement known as GASB 84, which establishes new criteria for identifying fiduciary activities and including them on the entity's financial statement. The GASB requirement applies to reports generated after December 15, 2018, and, through discussions with SunLine's audit firm, it was determined that GASB 84's requirements apply to SunLine's pension plans. As a result, it requires additional internal reviews and approvals for the auditors on the financial statements, resulting in a delay from early October until the end of the month.

In spite of this delay, SunLine will still be able to meet all of its obligations on audit requirements with state and federal organizations, the earliest of which is December 31<sup>st</sup>.

**SunLine Transit Agency**

**DATE:** October 23, 2019 **DISCUSSION**

**TO:** Finance/Audit Committee

**FROM:** Luis Garcia, Deputy Chief Financial Officer

**RE:** Follow-up Regarding Finance/Audit Committee Questions on SunLine Pension Plans

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**Background**

This item is a response to two questions asked during the presentation of the calendar year 2018 pension audit results at the September 2019 Finance/Audit Committee: 1) regarding the funded percentages of the plans and 2) the possibility of a Board Member sitting on the Committee for the pension plans.

1) Funded Percentages

In response to the first question, staff uses its Actuary's recommended employer contribution to determine the funding percentage of each pension plan for the employer. This recommended contribution changes regularly and is calculated once a year with the release of the yearly valuation report. The Actuary determines the recommended contribution based on a number of assumptions, plan assets, and participant information as of the measurement date. The annual cost is intended to fully fund obligations over the average employee tenure.

Given the variable nature of assumptions versus actual outcomes, a target of 100% funded plans would mean that the Agency will inevitably fall short of its goal when actual results do not meet assumptions. The Agency can reduce the possibility of falling short of 100% by setting the target of the plans near 110%. This new goal could result in the plans being over 110% funded in years where actual results were more favorable than assumptions, but it is unlikely that the plans would go below 100%. This revised goal would have increased the pension costs of SunLine by an estimated \$6.7M for the last calculated year. Alternatively, the Board could choose to spread this increase out over a period of time and achieve the goal of 110% funding after a period of several years. Our actuary advised staff that they are not aware of any of their clients who have employed this strategy.

2) Pension Committee Members

In response to the second question regarding the Board's participation in the pension committees, the pension plan documents state that the Board has the ability to appoint

members to the plans and it does not prohibit the election of a Board Member to these plans. In the plan documents, the Board of Directors is identified as the Governing Body over the Plan Sponsor, SunLine Transit Agency. Any action or determination of the Plan Sponsor under the plan shall be by its Governing Body. The role of the Committee is to administer the plan to do all things necessary or convenient to affect the intent and purposes of the plans under the guidelines set by the Governing Body.

The Board of Directors may elect two (2) members for the union plan which coincide with the Union's two elected members. The four (4) committee members then elect a fifth. For the non-union plan, the Board must appoint at least three (3) members.