



ADMINISTRATIVE AND FINANCE COMMITTEE
THURSDAY, FEBRUARY 11, 2016– 8:00 A.M.
OMNITRANS METRO FACILITY
1700 WEST 5TH STREET
SAN BERNARDINO, CA 92411

The meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or Limited English Proficiency services are needed in order to participate in the public meeting, requests should be made through the Recording Secretary at least three (3) business days prior to the Committee Meeting. The Recording Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY), located at 1700 West Fifth Street, San Bernardino, California. If you have comments about items on the agenda or other general concerns and are not able to attend the meeting, please mail them to Omnitrans at 1700 West Fifth Street, San Bernardino, California, Attention Board Secretary. Comments may also be submitted by email to BoardSecretary@omnitrans.org.

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Committee Meeting: Thursday, March 10, 2016, 8:00 a.m.
Omnitrans Metro Facility Board Room

C. COMMUNICATIONS FROM THE PUBLIC

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the Administrative & Finance Committee, comments on items not on the agenda and on items on the agenda are to be limited to a total of three (3) minutes per individual.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

Disclosure – Note agenda items contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation in the appropriate item.

N/A

E. DISCUSSION ITEMS

- | | |
|---|-----|
| 1. Approve Administrative & Finance Committee Minutes – January 14, 2016 | 2 |
| 2. Recommend the Board of Directors Receive and File Construction Progress Report No. 44 through January 31, 2016 - sbX E Street Corridor BRT Project | 5 |
| 3. Receive and File Omnitrans' Director of Finance Report on Price of Compressed Natural Gas | 13 |
| 4. Recommend the Board of Directors Receive and File Omnitrans' Fiscal Year Ended June 30, 2015 Audit Reports | 15 |
| 5. Recommend the Board of Directors Adopt Proposed Personnel Policy Changes and Approve Job Descriptions for Special Transit Services Department | 138 |

F. ADJOURNMENT

ITEM # E1

**ADMINISTRATIVE & FINANCE COMMITTEE
MINUTES, JANUARY 14, 2016**

A. CALL TO ORDER

Committee Chair Ed Graham called the regular meeting of the Administrative and Finance Committee to order at 8:00 a.m., Thursday, January 14, 2016.

1. Pledge of Allegiance
2. Roll Call

Committee Members Present

Council Member Ed Graham, City of Chino Hills – Committee Chair
Mayor Carey Davis, City of San Bernardino
Mayor Paul Eaton, City of Montclair
Council Member Pat Gilbreath, City of Redlands
Supervisor Curt Hagman, County of San Bernardino
Mayor Ray Musser, City of Upland
Council Member Dick Riddell, City of Yucaipa
Council Member John Roberts, City of Fontana
Mayor Pro Tem Sylvia Robles, City of Grand Terrace
Council Member Alan Wapner, City of Ontario

Others Present

Mayor Pro Tem Sam Spagnolo, City of Rancho Cucamonga

OmniTrans Administrative Staff Present

P. Scott Graham, CEO/General Manager
Diane Caldera, Director of Operations
Jack Dooley, Director of Maintenance
Marge Ewing, Director of Human Resources/Safety & Security
Samuel Gibbs, Director of Internal Audit Services
Jacob Harms, Director of Information Technology
Andres Ramirez, IPMO Manager
Jennifer Sims, Director of Procurement
Don Walker, Director of Finance
Wendy Williams, Director of Marketing/Planning
Vicki Dennett, Executive Assistant to CEO/General Manager

B. ANNOUNCEMENTS/PRESENTATIONS

The next Committee Meeting is scheduled Thursday, February 11, 2016, at 8:00 a.m.

Member Robles arrived at 8:02 a.m.

C. COMMUNICATIONS FROM THE PUBLIC

There were no communications from the public.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

There were no conflict of interest issues identified.

E. DISCUSSION ITEMS

1. Approve Administrative & Finance Committee Minutes – December 10, 2015

M/S (Eaton/Spagnolo) that approved the Committee Minutes of December 10, 2015. Motion was unanimous by Members present.

Member Davis arrived at 8:05 a.m., and Member Hagman arrived at 8:07 a.m.

2. Recommend to Board of Directors, Receive and File Construction Progress Report No's. 42 and 43 through December 31, 2015 – sbX E Street Corridor BRT Project

IPMO Manager Andres Ramirez presented the combined reports in summary form, and noted that Omnitrans has received an award from the Construction Management Association of America for this project.

This item was received and filed, and will be forwarded to the Board of Directors for receipt and file.

3. Receive and File Omnitrans' Director of Finance Report on Price of Compressed Natural Gas

Finance Director Don Walker presented this item, including a chart illustrating the continuous downward trend over the past 13 months of Omnitrans' price per gallon of natural gas. The price has fallen from a high of \$0.855 in January 2015, to a low of \$0.707 in January 2016, equating to an estimated monthly savings of \$81,552.

This item was received and filed.

4. Recommend the Board of Directors Adopt Proposed Personnel Policy Manual Changes

Human Resources/Safety & Regulatory Compliance Director Marge Ewing presented this item, and discussed the changes.

M/S (Eaton/Musser) to recommend the Board of Directors adopt the proposed changes to Personnel Policy No. 607, Family Medical Leave of Absence, No. 608 – Sick Leave Policy, No. 613 – Holidays, and #704 – Harassment Prevention, effective February 3, 2016. Motion was unanimous by Members present.

F. ADJOURNMENT

The Administrative and Finance Committee meeting adjourned at 8:15 a.m.

The next Administrative and Finance Committee Meeting is scheduled Thursday, February 11, 2016, at 8:00 a.m., with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.

Prepared by:

Christine Vega, Administrative Secretary

ITEM # E2

DATE: February 11, 2016

TO: Committee Chair Ed Graham and
Members of the Administrative & Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Andres Ramirez, Program Manager

**SUBJECT: CONSTRUCTION PROGRESS REPORTS NO. 44 THROUGH
JANUARY 31, 2016 - sbX E STREET CORRIDOR BRT PROJECT**

FORM MOTION

Receive and recommend to the Board of Directors for receipt and file Construction Progress Reports No. 44 for the sbX E Street Corridor BRT Project through January 31, 2016.

BACKGROUND

This is Construction Progress Report No. 44 for the sbX E Street Corridor Project.

CONCLUSION

Receive and recommend to the Board of Directors for receipt and file Construction Progress Report No.44 for the sbX E Street Corridor BRT Project through January 31, 2016.

PSG:AR

Attachment

**sbX E Street Corridor
Bus Rapid Transit (BRT) Project
Construction Progress Report No. 44**

January 31, 2016

Prepared By:

**Omnitrans
Integrated Project Management Office**

Contractor: SBX Corridor - Griffith/Comet Joint Venture
VMF – USS Cal Builders

Contractor Contract No.: IPMO11-5

Omnitrans Program Manager: Andres Ramirez



TABLE OF CONTENTS

- I. Project Status Summary
 - A. Project Description
 - B. Summary Status Update
- II. Project Schedule
- III. Safety
- IV. Project Budget and Cost

I. PROJECT STATUS SUMMARY

A. Project Description

The sbX E Street Corridor BRT Project is an Omnitrans transit improvement project that consists of three components.

E Street Corridor: A 15.7-mile-long Bus Rapid Transit corridor that will connect the northern portion of the City of San Bernardino with the City of Loma Linda. The sbX E Street Corridor Bus Rapid Transit (BRT) Project has evolved as the highest priority corridor identified in the System-Wide Transit Corridor Plan for the San Bernardino Valley.

Bus Purchase: In order to provide service to the E Street Corridor a total of fourteen 60' articulated buses will be purchased.

Vehicle Maintenance Facility Modifications: A 4.4-acre facility maintaining and servicing the Omnitrans' bus fleet, comprised of over 160 buses. Modifications to Omnitrans' facility include the demolition of a bus washing station, removal of abandoned underground fuel tanks and new construction of a bus washing system, a new Genset, a three-lane CNG fueling station, and re-configuring the bus parking area. Modifications to the maintenance building are made in order to accommodate Omnitrans' 60-foot articulated bus fleet.

B. Summary Status Update

E Street Corridor:

City of San Bernardino Final Acceptance Work and World Oil Modifications:

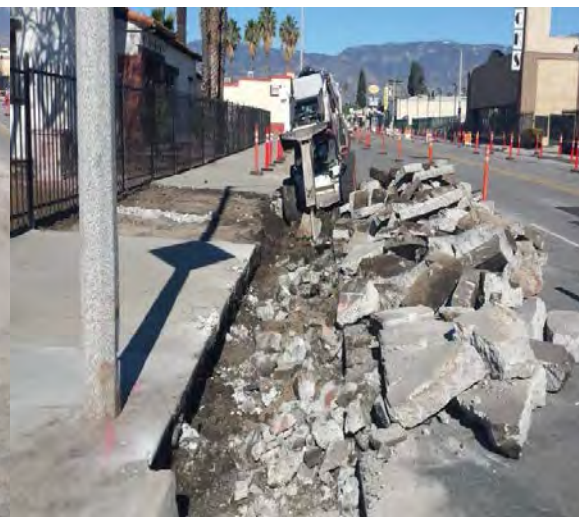
- Work complete and signed off.
- Final Completion requested by Contractor.
- Pending closure of Permit by City.

10th to Highland:

- Work was stopped due to City's request for added work. Omnitrans coordinating with City to restart work.
- Lowering of the water services completed.



Concrete Removals



Concrete Removals



Concrete Replacement



Concrete Replacement

PA System:

- Solicitation package is ready for approval for release by Board in February.

Traffic Signal Synchronization:

- Punchlist and closeout in progress.

Vehicle Maintenance Facility:

Contractor Close-Out

- Working on final Close Out of Contract with Agency legal counsel.
- Drafting letter for release of retention funds to the Contractor.
- Meeting with Contractor this week.

Completion of Work Removed from Contract

- Addressing remaining work at VMF in different formats to get items completed.
- Working with Maintenance Dept. to set up weekly meetings to prioritize.

II. PROJECT SCHEDULE

The three major components of the project (E Street Corridor, 60' Articulated Buses, and the Vehicle Maintenance) are complete and have been placed into operation. Additional components to the project (i.e. 10th to Highland, City Acceptance Work, the PA System, and the VMF Completion Work) are currently being worked on and are in different stages of progress. Projected completion dates are listed below:

	Scheduled Completion	Projected Completion
E Street Corridor		
City of SB Final Work / World Oil	February 2016	Completed
10 th to Highland	June 2016	July 2016
PA System	November 2016	December 2016
Vehicle Maintenance Facility		
Completion Work	May 2016	June 2016

III. SAFETY

The project team considers safety to be the utmost priority. As such, the entire project team works towards a “no-lost time” goal on a daily basis. Below is a breakdown of the hours achieved with zero lost time due to injuries:

	Through December 2015
E Street Corridor	
Corridor Construction including final Work	425,441
10 th to Highland	3006
PA System	0
Vehicle Maintenance Facility	64,436
Total	492,883

V. PROJECT BUDGET AND COST

The project continues to be within budget. We currently have zero open claims on the project. A breakdown of the project costs and projections is detailed in the following tables:

Total Project Budget Summary Budget as of December 31, 2015

Approved Budget	\$191,706,000
Cost to Date	\$177,629,240
Estimate to Complete	
Corridor Project	\$ 7,337,991
10 th to Highland	\$ 4,682,050
Estimate at Completion	\$188,401,078

Budget By Contract Packages 31-Dec-2015	PCGA Budget	Approved Current Budget	Authorized for Expenditure	Expended to Date	% of Approved Current Budget	Contracts Awarded	Approved Changes	(Contract Award + Approved Changes)	Committed	Expenditure Authorization Remaining	(Approved Current Budget- Committed)	Forecast		
												Potential Uses of Contingency		
												Pending Commitments/ Potential Changes	Trends/Risks	Estimate At Completion
BRT Construction														
Griffith/Comet JV	90,780,000	84,637,000	87,760,263	81,091,214	96.2%	64,937,853	16,365,793	81,303,646	6,456,617	3,333,354	-	-	81,303,646	
Art			68,000	68,000		68,000	-	68,000	-	(68,000)	-	-	68,000	
Other Direct Payments			48,401	143,892		143,892	-	143,892	(95,491)	(143,892)	-	-	143,892	
Delineators				89,943		89,943	-	89,943	(89,943)	(89,943)	-	-	89,943	
PA System				-		-	-	-	-	-	616,000	-	616,000	
Miscellaneous Work				-		17,500	-	17,500	(17,500)	(17,500)	125,000	-	142,500	
BRT Design														
Parsons	19,193,400	17,849,400	18,097,876	16,978,195	95.4%	14,464,092	3,725,637	18,189,729	(91,853)	(340,329)	(1,098,058)	-	17,091,671	
PA System				58,500		83,000	-	83,000	(83,000)	(83,000)	8,300	-	91,300	
Miscellaneous Work				-		-	-	-	-	-	-	-	-	
VMF Construction - USS Cal Builders	5,370,000	8,131,000	14,498,152	14,538,873	178.8%	10,579,786	3,952,439	14,532,225	(34,073)	(6,401,225)	-	560,000	15,092,225	
VMF Design														
STV	1,007,600	1,007,600	1,418,132	1,862,813	186.7%	951,029	1,048,727	1,999,756	(581,624)	(992,156)	25,000	-	2,024,756	
Carlin Environmental			27,800	18,380		10,000	9,800	19,800	8,000	(19,800)	-	-	19,800	
Vehicles Design & Manufacturing-N.F.	16,628,000	16,628,000	15,978,093	15,192,458	92.4%	15,483,572	325,110	15,808,682	169,411	819,318	38,000	-	15,846,682	
Other Vehicle Equipment			318,853	173,484		318,853	-	318,853	-	(318,853)	75,000	-	393,853	
ROW Acquisition Services-SANBAG	6,532,000	10,357,000	11,738,400	11,386,310	109.9%	10,971,135	767,265	11,738,400	-	(1,381,400)	-	100,000	11,838,400	
3rd Party Utilities Design & Reloc.		1,003,000	1,157,223	1,222,246	121.9%	1,106,117	-	1,106,117	51,106	(103,117)	50,000	-	1,156,117	
Project Admin. And Management														
Jacobs	6,638,000	6,632,000	11,852,647	12,955,293	195.3%	3,898,769	9,198,560	13,097,329	(1,244,682)	(6,465,329)	-	-	13,097,329	
Other														
IPMO	17,624,000	15,012,450	14,722,701	13,089,800	87.2%	15,172,701	-	15,172,701	(450,000)	(160,251)	(300,000)	-	14,872,701	
Insurance	1,113,000	1,112,000	500,000	-	0.0%	500,000	-	500,000	-	612,000	(500,000)	-	-	
Legal-BB&K, County	2,525,450	1,000,000	1,000,000	358,600	35.9%	1,000,000	-	1,000,000	-	-	-	-	1,000,000	
In Kind Contributions	8,080,550	8,080,550	8,080,550	8,401,239	104.0%	8,401,239	-	8,401,239	(320,689)	(320,689)	-	-	8,401,239	
Survey	1,464,000	1,463,000	464,000	-	0.0%	25,000	-	25,000	439,000	1,438,000	-	-	25,000	
Start-Up	720,000	720,000	700,000	-	0.0%	700,000	-	700,000	-	20,000	-	-	700,000	
Sub-Total	177,676,000	173,633,000	188,431,091	177,629,240	102.3%	148,922,481	35,393,331	184,315,812	4,115,279	(10,682,812)	(960,758)	660,000	184,015,054	
Unallocated Contingency	14,030,000	18,073,000	4,416,037					10,682,812		7,390,188			7,690,946	
10th to Highland Projected Costs			4,682,050	-					4,682,050	-	4,632,050	50,000	4,682,050	
Remaining Unallocated Contingency													3,008,896	
Total	191,706,000	191,706,000	188,697,104	177,629,240	92.7%								191,706,000	

IPMO/sbX Project Cost Report										
Period Ended 31-Dec-2015										
Description	Current Budget	Approved Current Budget	Expenditures		Remaining Budget	Committed		Estimate to Complete	Estimate at Completion	Budget Forecast Variance
			\$	%			%			
BRT Construction	\$ 84,637,000	\$ 84,637,000	\$ 81,393,048	96.2%	3,243,952	\$ 81,622,981	96.4%	\$ 741,000	\$ 82,363,981	\$ 2,273,019
Vehicle Maintenance Facility (VMF) Construction	\$ 8,131,000	\$ 8,131,000	\$ 14,538,873	178.8%	(6,407,873)	\$ 14,532,225	178.7%	\$ 560,000	\$ 15,092,225	\$ (6,961,225)
Vehicles - Design & Manufacturing	\$ 16,628,000	\$ 16,628,000	\$ 15,365,942	92.4%	1,262,058	\$ 16,127,535	97.0%	\$ 113,000	\$ 16,240,535	\$ 387,465
ROW Acquisition Services	\$ 10,357,000	\$ 10,357,000	\$ 11,386,310	109.9%	(1,029,310)	\$ 11,738,400	113.3%	\$ 100,000	\$ 11,838,400	\$ (1,481,400)
3rd Party Utilities Design & Relocation	\$ 1,003,000	\$ 1,003,000	\$ 1,222,246	121.9%	(219,246)	\$ 1,106,117	110.3%	\$ 50,000	\$ 1,156,117	\$ (153,117)
BRT Design	\$ 17,849,400	\$ 17,849,400	\$ 17,036,695	95.4%	812,705	\$ 18,272,729	102.4%	\$ (1,089,758)	\$ 17,182,971	\$ 666,429
VMF Design	\$ 1,007,600	\$ 1,007,600	\$ 1,881,193	186.7%	(873,593)	\$ 2,019,556	200.4%	\$ 25,000	\$ 2,044,556	\$ (1,036,956)
Other Professional, Technical & Management Services	\$ 34,020,000	\$ 34,020,000	\$ 34,804,932	102.3%	(784,932)	\$ 38,896,269	114.3%	\$ (800,000)	\$ 38,096,269	\$ (4,076,269)
Allocated Contingency (Construction Contract)	\$ -	\$ -			-	\$ -	0.0%	\$ -	\$ -	\$ -
SUB-TOTAL	\$ 173,633,000	\$ 173,633,000	\$ 177,629,240	102.3%	(3,996,240)	\$ 184,315,812	106.2%	(300,758)	184,015,054	(10,382,054)
Unallocated Contingency	\$ 18,073,000	\$ 18,073,000	\$ -		18,073,000	\$ -	0.0%	\$ -	\$ -	\$ 18,073,000
TOTAL	\$ 191,706,000	\$ 191,706,000	\$ 177,629,240	92.7%	14,076,760	\$ 184,315,812	96.1%	\$ (300,758)	\$ 184,015,054	\$ 7,690,946

ITEM # E3

DATE: February 11, 2016

TO: Committee Chair Ed Graham and
Members of the Administrative and Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Donald Walker, Director of Finance

**SUBJECT: OMNITRANS' DIRECTOR OF FINANCE REPORT ON THE PRICE
OF COMPRESSED NATURAL GAS (CNG)**

FORM MOTION

Receive and file the Director of Finance's update on the price of compressed natural gas as recommended by Committee Chair Ed Graham at the Administrative and Finance Committee meeting on August 13, 2015.

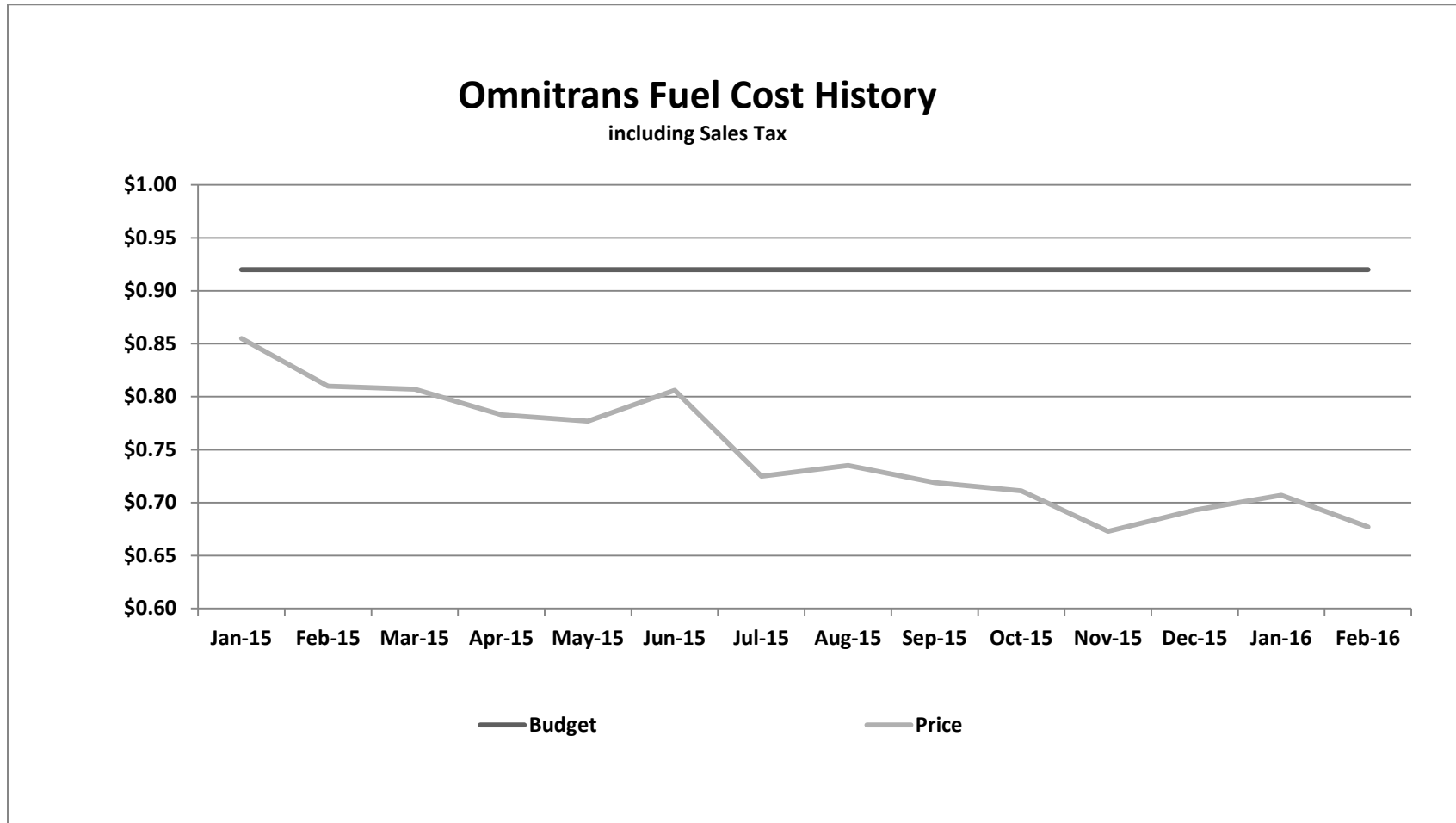
BACKGROUND

Omnitrans' most recent Forward Fuel Purchase Program ended August 31, 2015, whereby 181,500 gallons or 47% of our monthly natural gas usage for fuel was hedged at \$0.91 for twelve (12) months (Sep 2014 – Aug 2015). The Board of Directors authorized the CEO/General Manager to initiate another hedging program for up to twelve (12) months should the price of natural gas increase to or exceed \$0.92 per gallon budgeted for Fiscal Year 2016.

The price of natural gas began a steady downward trend in January 2015, and continues to be below average through February 2016. The chart below gives a history of Omnitrans' price per gallon of natural gas for the past fourteen (14) months (Jan 2015 – Jan 2016).

The price per gallon decreased from a high of \$0.855 in January 2015 to a low of \$0.677 for January 2016. The price per gallon continues to be well below the \$0.92 budgeted for FY2016. The average price per gallon for the first eight (8) months of FY2016 (Jul 2015 – Feb 2016) is \$0.705 or \$0.215 below budget. This equates to an estimated monthly saving of \$83,098 (\$0.215 x 386,500 gals).

We will continue to monitor the price of natural gas on the open market to determine if and when it would be prudent to implement a new hedging program.



ITEM # E4

DATE: February 11, 2016

TO: Committee Chair Ed Graham and
Members of the Administrative and Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Donald Walker, Director of Finance

SUBJECT: OMNITRANS' FISCAL YEAR ENDED JUNE 30, 2015 AUDIT REPORTS

FORM MOTION

Recommend to the Board of Directors receipt and file of Omnitrans financial audit reports for fiscal year ended June 30, 2015.

BACKGROUND

The financial audit includes the following reports:

- Statement of Auditing Standards Letter (SAS 114), and Management Letter
- Agreed-Upon Procedures Performed With Respect to the National Transit Database (NTD) Report
 1. Independent Accountants' Report on Applying Agreed-Upon Procedures
- Single Audit Report on Federal Awards
 1. Independent Auditors' 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 California Government Code §8879.50
 2. Independent Auditors' Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133
- Independent Auditors' Report on Proposition 1B
 1. Independent Auditors' Report on Proposition 1B Schedule of Unspent Funds and Cash Disbursements
- Comprehensive Annual Financial Report

As a recipient of federal, state, and local funding, Omnitrans is required to have an annual audit conducted by independent auditors 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 audit also included fifteen tasks contained in San Bernardino Associated Governments (SANBAG) Transportation Development Act 2005 Compliance Guide.

- The SAS 114 letter establishes standards and provides guidance on the auditor's communication with those charged with governance in relation to an audit of financial statements. The standards and guidance applies regardless of an entity's governance structure or size. Particular considerations apply where all of those charged with governance are involved in managing an entity. *Those charged with governance* means the person(s) with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity. This includes overseeing the financial reporting process. For entities with a board of directors, this term encompasses the term *board of directors* or *audit committee* used elsewhere in generally accepted auditing standards.
- The NTD was established by Congress to be the Nation's primary source for information and statistics on the transit systems of the United States. Recipients or beneficiaries of grants from the Federal Transit Administration (FTA) under the Urbanized Area Formula Program (§5307) or Other than Urbanized Area (Rural) Formula Program (§5311) are required by statute to submit data to the NTD.
- Each year, the Federal Government provides over \$400 billion in grants to State, local and tribal governments, colleges, universities and other non-profit organizations (non-Federal entities). The Single Audit Act of 1984 and OMB Circular A-133 provide audit requirements for ensuring that these funds are expended properly.
- The TDA requirement is mandated by California Code of Regulations, Title 21, sections 6661 and 6751. Local Transportation Fund and State Transit Assistance Fund recipients must submit a fiscal audit report to the State Controller's Office annually and within 180 days after the end of the fiscal year. The audit report shall be conducted in accordance with generally accepted auditing standards and include a compliance certification with the TDA.
- The Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) was created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.9 billion available to Transportation, \$3.6 billion dollars was allocated to PTMISEA to be available to transit operators over a ten-year period. PTMISEA funds may be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement.

- The financial statements for fiscal year ended June 30, 2015 are presented in the Comprehensive Annual Financial Report (CAFR) along with comparative financial information for the year ended June 30, 2014. The audit expresses a professional opinion as to whether the financial statement prepared by management with the Board of Directors' oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Since fiscal year 2005, Omnitrans has received an "unqualified opinion" on its financial statements.

A Comprehensive Annual Financial Report for FY2015 will be submitted to the Government Finance Officers Association (GFOA) for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by an Agency and its management. Omnitrans was awarded a Certificate of Achievement for it FY1998, FY1999, FY2000, FY2006, FY2007, FY2008, FY2009, FY2010, FY2011, FY2012, FY2013, and FY2014 CAFRs.

CONCLUSION

Mr. Roger Alfaro, Partner of Vavrinek, Trine, Day & Co., LLP, will present an overview of the Fiscal Year 2015 audit at the Committee meeting.

PSG:DW



Board of Directors
Omnitrans
San Bernardino, California

We have audited the financial statements of Omnitrans for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated May 5, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Omnitrans are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, Omnitrans adopted Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective July 1, 2014. Accordingly, the cumulative effect of the accounting changes as of the beginning of the year is reported in Note 12 of the financial statements. We noted no transactions entered into by the governmental unit 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:

- Management's estimate of the fair value of investments. Changes in fair value that occur during the fiscal year are recognized as investment income reported for that fiscal year.
- Management's estimate of the risk management liability for incurred but not reported (IBNR) claims is based on an actuarial valuation and an 80% confidence level.
- Management's estimate of the depreciation of capital assets is based upon the estimated useful lives of the related capital assets.
- Management's estimation of amounts related to the net pension liability, related deferred inflows of resources and deferred outflows of resources, and disclosures are based on actuarial valuations of the net pension liability for Omnitrans' defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS).

We evaluated the key factors and assumptions used to develop the estimates in determining that they were 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 disclosure of Omnitrans' defined benefit pension plan, net pension liability and related deferred inflows of resources and deferred outflows of resources in Note 8 to the financial statements. The valuation of the net pension liability and related deferred outflows/inflows of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return and discount rate. As disclosed in Note 8, a 1% increase or decrease in the discount rate has a material effect on Omnitrans' net pension liability.

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 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. Management has corrected all such misstatements. As a result of audit procedures, an adjustment to eliminate negative unearned revenue of approximately \$1.092 million was proposed and posted by management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' 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 January 28, 2016.

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 entity'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 Omnitrans' 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 management's discussion and analysis, the schedule of changes in the net pension liability and related ratios, and schedule of contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries 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 not engaged to report on the Introductory Section or the Statistical Section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

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



Rancho Cucamonga, California

January 28, 2016

**OMNITRANS,
SAN BERNARDINO, CALIFORNIA
MANAGEMENT LETTER
FOR THE YEAR ENDED JUNE 30, 2015**



Board of Directors
Omnitrans
San Bernardino, California

We have audited the basic financial statements of Omnitrans for the year ended June 30, 2015 and have issued our report thereon dated January 28, 2016. In planning and performing our audit of the basic financial statements of Omnitrans, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit we noted certain matters involving internal control and other operational matters that are presented for your consideration. These observations and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

CURRENT YEAR MANAGEMENT LETTER COMMENTS

DERIVATIVE INSTRUMENT – EFFECTIVENESS EVALUATION

In accordance to Paragraph 31 of Governmental Accounting Standards Board (GASB) Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, potential hedging derivative instruments should be evaluated for effectiveness as of the end of each reporting period using either the consistent critical terms method or one of the quantitative methods. Through our test-work of Omnitrans' Compressed Natural Gas (CNG) futures contracts, an active hedging derivative instrument, we noted that management did not conduct an evaluation for the hedge's effectiveness as of the fiscal year end.

RECOMMENDATION:

We recommend Omnitrans implement policies and procedures to ensure all potential hedging derivative instruments are evaluated for effectiveness as of the end of reporting period.

Board of Directors
Omnitrans
San Bernardino, California
January 28, 2016

MANAGEMENT'S RESPONSE:

The Forward Fuel Purchase Program is the only hedging derivative instrument approved by Omnitrans' Board of Directors. The Board of Directors approved a recommendation to suspend the program on September 2, 2015, and granted authority to the CEO/General Manager to enter into another Forward Fuel Purchase Program for up to twelve (12) months should the price per gallon increase to or exceed the \$0.92 per gallon budgeted for FY2016. Omnitrans is in the process of implementing a pipeline fueling infrastructure to reduce the price uncertainty of natural gas on the open market. Once commissioned, the pipeline fueling infrastructure will eliminate the need to hedge fuel. However, going forward Omnitrans will consider your recommendation to implement policies and procedures to ensure all potential hedging derivative instruments are evaluated for effectiveness as of the end of the reporting period.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of Omnitrans gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

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



Rancho Cucamonga, California
January 28, 2016

OMNITRANS

Agreed-Upon Procedures Performed
With Respect to the National Transit Database Report

For the Period
July 1, 2014 through June 30, 2015



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Omnitrans
San Bernardino, California

The Federal Transit Administration (FTA) has established the following standards with regard to the data reported to it in the Federal Funding Allocation Statistics Form FFA-10 (FFA-10) for the Omnitrans annual National Transit Database (NTD) report:

1. A system is in place and maintained for recording data in accordance with NTD definitions. The correct data are being measured and no systematic errors exist.
2. A system is in place to record data on a continuing basis and the data gathering is an ongoing effort.
3. Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data are fully documented and securely stored.
4. A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
5. The data collection methods are those suggested by FTA or meet FTA requirements.
6. The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles data, appear to be accurate.
7. Data are consistent with prior reporting periods and other facts known about Omnitrans' operations.

We have applied the procedures described in Attachment 1 of this report, which were agreed to by Omnitrans and the FTA and specified in the declarations section of the *2014 Reporting Manual*, solely to assist you in evaluating whether Omnitrans complied with the standards described above and that the information included in the NTD report FFA-10 form for the year ended June 30, 2015, is presented in conformity with the requirements of the *Uniform System of Accounts and Records and Reporting System; Final Rule*, as specified in 49 CFR part 630, *Federal Register*, January 15, 1993 and as presented in the *2014 Reporting Manual*. Omnitrans' management is responsible for Omnitrans' compliance with those standards and the accuracy of the FFA-10 form.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment 1 either for the purpose for which this report has been requested or for any other purpose.

The procedures and findings described in Attachment 1 of this report, which are referenced in order to correspond to the *2014 Reporting Manual* procedures, were applied separately to each of the information systems used to develop the reported vehicle revenue miles (VRM), passenger miles (PM), fixed guideway directional route miles (FG DRM), High Intensity Bus Lanes directional route miles (HIB DRM), and operating expenses of Omnitrans for the year ended June 30, 2015, and for each of the following modes: (1) Motor Bus - directly operated (MBDO), (2) Motor Bus - purchased transportation (MBPT) and (3) Demand Response - purchased transportation (DRPT).

The FTA did not publish a *2015 Reporting Manual* as of the date of this report. Therefore, the procedures in the *2014 Reporting Manual* were used per inquiry of FTA.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on compliance with the procedures noted in attachment 1 or on the FFA-10. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Vavrinek, Trine Day & Co. LLP

Rancho Cucamonga, California
October 29, 2015

Excerpt from the FTA 2014 *Reporting Manual* Exhibit 71 - Federal Funding Allocation Data Review - Suggested Procedures:

FTA has specified and agreed to a set of procedures for the independent accountant to perform and satisfy the requirements of the Federal Funding Allocation data review. The procedures, to be applied to each applicable mode and type of service (TOS) directly operated (DO) and purchased transportation (PT), are:

- a. Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual. If there are no procedures available, discuss the procedures with the personnel assigned responsibility for supervising the NTD data preparation and maintenance.

Results – We obtained and read a copy of written procedures related to the system for reporting and maintaining data and found them in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2014 Reporting Manual.

- b. Discuss the procedures (written or informal) with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:
 - The extent to which the transit agency followed the procedures on a continuous basis, and
 - Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual.

Results - We inquired regarding Omnitrans' procedures for the MBDO, MBPT and DRPT services noting that the asserted procedures were consistently applied. In addition, based on our inquiry with the Planning and Scheduling Manager and the Operations Services Supervisor, management asserted that the procedures resulted in the accumulation and reporting of data consistent with the NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2014 Reporting Manual.

- c. Ask these same personnel about the retention policy that the transit agency follows as to source documents supporting NTD data reported on the Federal Funding Allocation Statistics form.

Results - We inquired with the Planning and Scheduling Manager and the Operations Services Supervisor, regarding Omnitrans' retention policy for NTD data, Total Modal Operating Expenses data, Actual Vehicle Revenue Mile and Passenger Miles Traveled. Per inquiry, the current practice is to retain paper and electronic data for at least three years.

- d. Based on a description of the transit agency's procedures from items (A) and (B) above, identify all the source documents that the transit agency must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods.

Results - We inspected the following source documents for each type of service, selected three months out of the year and determined that the documents existed for each of these periods:

<i>Type of Service</i>	<i>Source Document</i>	<i>Months Tested</i>
<i>MBDO</i>	<ul style="list-style-type: none"> • <i>MBDO Statistics Reports (queried from TransTrack Manager System database)</i> • <i>Passenger Mile Survey Summary from Automated Passenger Count system GFI database</i> • <i>Ridership by Trip Reports</i> • <i>Trapeze FX Summaries by Route</i> • <i>Route Plans</i> 	<ul style="list-style-type: none"> • <i>July 2014, December 2014 and February 2015.</i> • <i>Three years of data were noted to be archived on Omnitrans' network.</i>
<i>MBPT</i>	<ul style="list-style-type: none"> • <i>MBPT Statistics Reports (queried from TransTrack Manager System database)</i> • <i>Ridership by Trip Reports</i> • <i>Trapeze FX Summaries by Route</i> • <i>Route Plans</i> • <i>Passenger Mile Survey Summary</i> • <i>Survey Trip Sheets</i> 	<ul style="list-style-type: none"> • <i>July 2014, December 2014 and February 2015.</i> • <i>Three years of data were noted to be archived on Omnitrans' network.</i>
<i>DRPT</i>	<ul style="list-style-type: none"> • <i>DRPT Statistics Reports (queried from TransTrack Manager System database)</i> • <i>Daily Totals from the Trapeze Pass system</i> • <i>Trip Distance Productivity Reports from the Trapeze Pass system</i> • <i>Driver Manifests generated from the Trapeze Pass system</i> • <i>Passenger Mile Survey Summary</i> • <i>Survey Trip Sheets</i> 	<ul style="list-style-type: none"> • <i>July 2014, December 2014 and February 2015.</i> • <i>Three years of data were noted to be archived on Omnitrans' network.</i>

- e. Discuss the system of internal controls. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries) review the source documents and data summaries for completeness, accuracy, and reasonableness and how often these individuals perform such reviews.

Results - We inquired regarding the system of internal controls noting that each respective mode/type of service is being reviewed by personnel independent of the preparation process. On a regular basis data from the TransTrack System for the MBDO, MBPT and DRPT modes of service are being reviewed for completeness and reasonableness by the Planning and Scheduling Manager for the MBDO and MBPT modes and the Operations Services Supervisor for the DRPT mode.

- f. Select a random sample of the source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.

Results – For the MBDO and MBPT modes data is collected by automated systems. The collected data is reviewed and approved by a supervisor who documents monthly results and signs off on performance reports. For the DRPT mode, we randomly selected three test days, examined ten Driver Manifests for each of those days, and noted that drivers and supervisors signed the manifests.

- g. Obtain the worksheets used to prepare the final data that the transit agency transcribes onto the Federal Funding Allocation Statistics form. Compare the periodic data included on the worksheets to the periodic summaries prepared by the transit agency. Test the arithmetical accuracy of the summaries.

Results - We obtained the worksheets utilized by Omnitrans to transcribe statistics to the Federal Funding Allocation Statistics form and compared the data to summaries without exception. We tested the arithmetical accuracy of the summarizations without exception.

- h. Discuss the procedure for accumulating and recording passenger miles traveled (PMT) data in accordance with NTD requirements with transit agency staff. Inquire whether the procedure is one of the methods specifically approved in the 2014 Policy Manual.

Results – Sampling was conducted for the MBDO, MBPT and DRPT mode. We inspected the sampling methodologies and noted that the sampling methodology used met the requirements of the 2014 Policy Manual.

- i. Discuss with transit agency staff (the auditor may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:

1. According to the 2010 Census, the public transit agency serves an UZA with a population less than 500,000.
2. The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).
3. Service purchased from a seller is included in the transit agency's NTD report.
4. For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year (2014) and determine that statistical sampling was conducted and meets the 95% confidence and $\pm 10\%$ precision requirements.
5. Determine how the transit agency estimated annual PMT for the current report year.

Results – Omnitrans sampled all three modes in the current year and did not utilize the three year sampling option allowed for purchased transportation modes.

- j. Obtain a description of the sampling procedure for estimation of PMT data used by the transit agency. Obtain a copy of the transit agency's working papers or methodology used to select the actual sample of runs for recording PMT data. If the transit agency used average trip length, determine that the universe of runs was the sampling frame. Determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. If the transit agency missed a selected sample run, determine that a replacement sample run was random. Determine that the transit agency followed the stated sampling procedure.

Results – For the MBDO, MBPT and DRPT modes, we obtained a copy of Omnitrans' methodology used in the statistical sampling to estimate average PM and determined that the methodology used by Omnitrans resulted in a random selection of runs and that the stated sampling procedure was followed without exception.

- k. Select a random sample of the source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulations periods that were tested. Test the arithmetical accuracy of the summary.

Results - For MBDO we randomly selected 40 surveyed routes throughout the year. We verified the mathematical accuracy of the Trip Report Details and that the data was properly input to the accumulation worksheet designed to calculate the average PM without exception.

For MBPT we randomly selected 40 surveyed routes throughout the year. We verified the mathematical accuracy of the Trip Report Details and that the data was properly input to the accumulation worksheet designed to calculate the average PM without exception.

For DRPT we randomly selected 40 surveyed routes throughout the year. We verified the mathematical accuracy of the Trip Report Details and that the data was properly input to the accumulation worksheet designed to calculate the average PM without exception.

- l. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual vehicle revenue miles with transit agency staff and determine that they follow the stated procedures. Select a random sample of the source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.

Results - The procedure identified above is not applicable. Per inquiry with Omnitrans' management, Omnitrans did not provide charter or school bus services.

- m. For actual vehicle revenue mile (VRM) data, document the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:

- If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of the days that service is operated, and re-compute the daily total of missed trips and missed VRMs. Test the arithmetical accuracy of the summary.

Results – For the MBDO and MBPT modes, Omnitrans tracks actual VRM in real time using the Trapeze Intelligent Transportation System from which data is uploaded monthly to the TransTrack Manager System. The results are reviewed by management against total scheduled VRM and any discrepancies are investigated. The tracking is performed on fixed routes only which will not include deadhead miles. We randomly selected a sample of five MBDO routes and seven MBPT routes, recalculated the VRMs and compared them to amounts used in the total VRM without exception.

- If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.

Results - This procedure is not applicable because VRMs were measured using real time Trapeze Intelligent Transportation System tracking.

- If actual VRMs are calculated from vehicle logs, select random samples of the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.

Results - For the DRPT mode, Revenue Miles are calculated based on the odometer readings from the first pickup to the last drop off. Deadhead miles are excluded from the Revenue Miles calculations. We selected 90 trips to test and noted that the deadhead miles are not included in the Revenue Miles calculations without exception.

- n. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.

Results - The procedure identified above is not applicable as Omnitrans does not provide rail service.

- o. If fixed guideway or High Intensity Bus directional route miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet the FTA definition of fixed guideway (FG) or High Intensity Bus (HIB) in that the service is:

- Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR); or
- Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW); and
 - Access is restricted;
 - Legitimate need for restricted access is demonstrated by peak period level of service D or worse on parallel adjacent highway;
 - Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., vanpools (VP) carpools) must demonstrate safe operation; and
 - High Occupancy/Toll (HO/T) lanes meet FHWA requirements for traffic flow and use of toll revenues. The transit agency has provided the NTD a copy of the State's certification to the U.S. Secretary of Transportation stating that it has established a program for monitoring, assessing, and reporting on the operation of the HOV facility with HO/T lanes.

Results – We interviewed the management of Omnitrans and noted that the MBDO service operates over exclusive access rights-of way (ROW) that appears consistent with the FTA's definition of fixed guideways.

- p. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that the he or she computed mileage in accordance with the FTA definitions of FG/HIB and DRM. Inquire of any service changes during the year that resulted in an increase or decrease in DRMs. If a service change resulted in a change in overall DRMs, re-compute the average monthly DRMs, and reconcile the total to the FG/HIB DRM reported on the Federal Funding Allocation Statistics form.

Results – We determined that the mileage was computed in accordance with the FTA definitions of FG DRM. Per inquiry with the Planning and Scheduling Manager we determined that there were no changes during the year that resulted in an increase or decrease in DRMs. We recomputed the average monthly DRM for all reported segments and reconciled the total to the FG DRM without exception.

- q. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), the following apply:

- Report DRMs for the segment(s) for the entire report year if the interruption is less than 12 months in duration. Report the months of operation on the FG/HIB segments form as 12. The transit agency should document the interruption.
- If the improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, the transit agency should contact its NTD validation analyst to discuss. The FTA will make a determination on how to report the DRMs.

Results – Per inquiry of the Planning and Scheduling Manager, there were no temporary interruptions in transit service during the report year.

- r. Measure FG/HIB DRM from maps or by retracing route.

Results - We recalculated the length of all fixed guideway directional routes for the MBDO mode of service using publicly available maps without exception.

- s. Discuss whether other public transit agencies operate service over the same FG/HIB as the transit agency. If yes, determine that the transit agency coordinated with the other transit agency (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit agency should report the actual VRM, PMT, and OE for the service operated over the same FG/HIB.

Results - We interviewed the management of Omnitrans and noted that no other public transit agencies operate service over the same DRMs as Omnitrans.

- t. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2015 report year with the persons reporting NTD data. This is the commencement date of revenue service for each FG/HIB segment. Determine that the date reported is the date that the agency began revenue service. This may be later than the Original Date of Revenue Service if the transit agency is not the original operator. If a segment was added for the 2015 report year, the Agency Revenue Service Date must occur within the transit agency's 2015 fiscal year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the 7-year age requirement for fixed guideway/High Intensity Bus segments is based on the report year when the segment is first reported by any NTD transit agency. This pertains to segments reported for the first time in the current report year. Even if a transit agency can document an Agency Revenue Service Start Date prior to the current NTD report year, the FTA will only consider segments continuously reported to the NTD.

Results - Omnitrans did not add any new segments during the 2015 report year. We obtained the FG segments form noting the FG segments and dates. Per inquiry of the Planning and Scheduling Manager, the dates noted as the start dates are consistent with the start dates of the service.

- u. Compare operating expenses with audited financial data after reconciling items are removed.

Results - Operating expenses were compared to the trial balances subject to audit without exception.

- v. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of PT-generated fare revenues. The PT fare revenues should equal the amount reported on the Contractual Relationship form.

Results - We identified the fare revenues reported on the B-30 and reconciled the amounts to the general ledger without exception.

- w. If the transit agency's report contains data for PT services and assurances of the data for those services are not included, obtain a copy of the IAS-FFA regarding data for the PT service. Attach a copy of the statement to the report. Note as an exception if the transit agency does not have an Independent Auditor Statement for the PT data.

Results – The data for purchased transportation are included in the reporting by Omnitrans and therefore no IAS for the purchased transportation services is included.

- x. If the transit agency purchases transportation services, obtain a copy of the PT contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit agency or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit agency's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract, and determine that copies of the contracts are retained for three years.

Results - We inspected the MBPT and DRPT service contracts and determined that they contained the items noted above without exception. We inquired with the Planning and Scheduling Manager and the Operations Services Supervisor, regarding Omnitrans' retention policy for executed contracts for purchased transportation programs. Per inquiry, the current practice is to retain contracts for at least three years.

- y. If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.

Results - Omnitrans provides services in more than one UZA but does not provide services to non urbanized areas. For the MBDO and MBPT modes allocations to urbanized areas are based on trip pattern analysis. The number of yearly trips per pattern is multiplied by the number of miles determined for each UZA. Eight allocations were tested for the MBDO and MBPT services without exception.

For the DRPT mode, vehicles are dispatched from two depots, one in each UZA. Ridership is tracked by depot and used to calculate the percentages for the UZA split of other data.

- z. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10%, or FG DRM data that have increased or decreased, interview transit agency management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period. The auditor should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The auditor may perform additional procedures, which are agreed to by the auditor and the transit agency, if desired. The auditor should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the auditor but not by the FTA.

Results – The following fluctuations over 10% were noted on the F-30 and S-10 Forms:

- *A 12.3% decrease in Passenger Miles for MBDO*
- *A 11.0% increase in Operating Expenses for MBDO*

No fluctuations of over 10% were noted in the MBPT or DRPT modes. The Rapid Bus - directly operated (RBDO) mode was reported as a separate mode for fiscal year 2013-14 but was combined with the MBDO mode reporting for fiscal year 2014-15 per direction of the NTD.

The 12.3% decrease in Passenger Miles for MBDO is due to a 12% drop in ridership in fiscal 2014-15.

The 11.0% increase in Operating Expenses for MBDO is due to a combination of increases in salaries and wages, fuel, service, and casualty and liability costs in fiscal year 2014-15.

- aa. The auditor should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The auditor may perform additional procedures, which are agreed to by the auditor and the transit agency, if desired. The auditor should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the auditor but not by the FTA.

Results – We have documented the procedures followed based on the FTA 2014 Reporting Manual Exhibit 71 - Federal Funding Allocation Data Review - Suggested Procedures, and noted the documents reviewed and tests performed in our workpapers. Additional procedures were not performed.

OMNITRANS

**SINGLE AUDIT REPORT
ON FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2015

OMNITRANS

YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> , the Transportation Development Act and California Government Code §8879.50	1
Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by <i>OMB Circular A-133</i>	3
Schedule of Expenditures of Federal Awards	6
Note to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	
I. Summary of Auditors' Results	8
II. Financial Statement Findings	9
III. Federal Award Findings and Questioned Costs	10
Schedule of Prior Year Audit Findings	11



**INDEPENDENT AUDITORS' 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
CALIFORNIA GOVERNMENT CODE §8879.50**

Board of Directors
Omnitrans
San Bernardino, California

We have audited, in accordance with the 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 Omnitrans as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Omnitrans' basic financial statements, and have issued our report thereon dated January 28, 2016. Our report included an emphasis of matter paragraph regarding Omnitrans' adoption of Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, effective July 1, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Omnitrans' internal control over financial reporting (internal control) to determine the 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 Omnitrans' internal control. Accordingly, we do not express an opinion on the effectiveness of Omnitrans' internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Omnitrans' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including Section 6667 of Title 21 of the California Code of Regulations and California Government Code §8879.50 et seq., and the allocation instructions of San Bernardino Associated Governments, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, Section 6667 of Title 21 of the California Code of Regulations, or the California Government Code §8879.50 et seq.

Purpose of this Report

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



Rancho Cucamonga, California
January 28, 2016



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY
OMB CIRCULAR A-133**

Board of Directors
Omnitrans
San Bernardino, California

Report on Compliance for Each Major Federal Program

We have audited Omnitrans' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Omnitrans' major federal programs for the year ended June 30, 2015. Omnitrans' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Omnitrans' major federal programs based on our audit of the types of compliance requirements referred to above. 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 OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Omnitrans' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Omnitrans' compliance.

Opinion on Each Major Federal Program

In our opinion, Omnitrans 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, 2015.

Report on Internal Control Over Compliance

Management of Omnitrans is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Omnitrans' internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Omnitrans' 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Omnitrans as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Omnitrans' basic financial statements. We issued our report thereon dated January 28, 2016, which contained an unmodified opinion on those financial statements. Our report included an emphasis of matter paragraph regarding Omnitrans' adoption of Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, effective July 1, 2014. Our audit was performed for the purpose of forming our opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Rancho Cucamonga, California
January 28, 2016

OMNITRANS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-through Grantor Program Title	Federal Domestic Assistance Number	Grant Number	Federal Financial Assistance Expenditure	Amount Provided to Subrecipients
U.S. Department of Transportation:				
<u>Direct Assistance:</u>				
Federal Transit - Capital Investment Grants	20.500	CA-03-0816-00	\$ 2,095,737	\$ -
Federal Transit - Capital Assistance	20.500	CA-04-0228-00	83,271	83,270
Federal Transit - Capital Assistance	20.500	CA-04-0229-00	6,317,164	6,317,164
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-96-X058-00	359,073	359,073
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-95-X124-00	3,500,014	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y064-00	2,086	2,086
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y164-00	191,593	89,082
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y251-00	74,177	189
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y333-00	57,298	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y396-00	46,138	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y495-00	16,014	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y602-00	378,142	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y672-00	153,205	153,205
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y681-00	558,769	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y775-00	479,112	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y850-00	21,803	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-95-X229-00	5,098,500	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-95-X257-00	4,235,996	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-95-X297-00	992,000	992,000
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Y939-00	1,137,449	15,142
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Z009-00	491,272	135,731
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Z112-00	1,613,975	30,874
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Z231-00	4,630,857	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	CA-90-Z280-00	3,224,231	-
Subtotal - Federal Transit Cluster			<u>35,757,876</u>	<u>8,177,816</u>
Public Transportation Research - FY 14-15 Section 5314	20.514	CA-26-7301-00	<u>169,540</u>	<u>-</u>
Job Access and Reverse Commute Program - FY06-08 Section 5316 Capital	20.516	CA-37-X090-00	236,879	236,879
Job Access and Reverse Commute Program - FY09-10 Section 5316 Capital	20.516	CA-37-X146-00	142,757	142,757
Job Access and Reverse Commute Program - FY11-12 Section 5316 Capital	20.516	CA-37-X174-00	154,605	154,605
New Freedom Program FY06-08 - 5317 (Amend)	20.521	CA-57-X017-00	177,642	169,788
New Freedom Program FY09-10 - 5317	20.521	CA-57-X062-00	145,579	131,135
New Freedom Program FY11-12 - 5317	20.521	CA-57-X089-00	5,283	5,283
Subtotal - Transit Services Programs Cluster			<u>862,745</u>	<u>840,447</u>
Holt Boulevard Alternative Analysis	20.522	CA-39-0008-00	<u>216,746</u>	<u>-</u>
Total - U.S. Department of Transportation			<u>37,006,907</u>	<u>9,018,263</u>
Total Expenditures of Federal Awards			<u>\$ 37,006,907</u>	<u>\$ 9,018,263</u>

See accompanying note to Schedule of Expenditures of Federal Awards.

OMNITRANS

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2015

NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Scope of Presentation

The accompanying schedule presents only the expenditures incurred by Omnitrans that are reimbursable under federal programs of federal financial assistance. For the purposes of this schedule, federal financial assistance includes both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by Omnitrans from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

(B) Basis of Accounting

The expenditures included in the accompanying schedule were reported on the accrual basis of accounting. Under the accrual basis of accounting, expenditures are recognized when Omnitrans becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program.

(C) Subrecipients

During the fiscal year ended June 30, 2015, Omnitrans provided \$9,018,263 in federal awards to subrecipients from funding provided by the U.S. Department of Transportation.

OMNITRANS**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****FOR THE YEAR ENDED JUNE 30, 2015****I. SUMMARY OF AUDITORS' RESULTS****FINANCIAL STATEMENTS**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

No

Significant deficiency(ies) identified?

None Reported

Noncompliance material to financial statements noted?

No**FEDERAL AWARDS**

Internal control over major federal programs:

Material weakness(es) identified?

No

Significant deficiency(ies) identified?

None Reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with

Circular A-133, Section .510(a)

No

Identification of major federal programs:

CFDA Number(s)Name of Federal Program or Cluster20.500, 20.507Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,110,207

Auditee qualified as low-risk auditee?

No

OMNITRANS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2015

II. FINANCIAL STATEMENT FINDINGS

None reported.

OMNITRANS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2015

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

OMNITRANS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2015

Summarized below is the current status of all audit findings reported in the prior year audit's schedule of audit findings and questioned costs.

Financial Statement Findings

Finding No.	Area	Status of Corrective Action
2014-001	Financial Reporting	Implemented

OMNITRANS
San Bernardino, California

INDEPENDENT AUDITORS' REPORT ON
PROPOSITION 1B

Year Ended June 30, 2015

OMNITRANS

PROPOSITION 1B

JUNE 30, 2015

TABLE OF CONTENTS

PAGE

Independent Auditors' Report on Proposition 1B Schedule
of Unspent Funds and Cash Disbursements

1

Schedule of Unspent Funds and Cash Disbursements

2



**INDEPENDENT AUDITORS' REPORT ON PROPOSITION 1B SCHEDULE OF
UNSPENT FUNDS AND CASH DISBURSEMENTS**

Board of Directors
Omnitrans
San Bernardino, California

We have audited the financial statements of Omnitrans as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Omnitrans' basic financial statements and have issued our report thereon dated January 28, 2016, which contained an unmodified opinion on those financial statements. Those financial statements are the responsibility of Omnitrans' management. Our responsibility is to express an opinion on the financial statements based on our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Omnitrans' basic financial statements. The accompanying Proposition 1B Schedule of Unspent Funds and Cash Disbursements is presented for purposes of additional analysis, to satisfy the requirements of Section 6667 of Title 21 of the California Code of Regulations, the California Government Code §8879.50, and the California State Senate Bill 88 (2007), et seq. and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Rancho Cucamonga, California
January 28, 2016

**OMNITRANS
PROPOSITION 1B**

**SCHEDULE OF UNSPENT FUNDS AND CASH DISBURSEMENTS
YEAR ENDED JUNE 30, 2015**

	<u>PTMISEA (1)</u>	<u>CTSG (2)</u>	<u>Total</u>
Unspent Prop 1B funds as of June 30, 2014	\$ 29,752,299	\$ 615,264	\$ 30,367,563
Prop 1B funds received during the year ended June 30, 2015	1,736,317	-	1,736,317
Interest revenue earned on unspent Prop 1B funds during fiscal year ended June 30, 2015	164,600	46	164,646
Change in fair market value of investments during the year ended June 30, 2015	52,114	-	52,114
Prop 1B disbursements during the year ended June 30, 2015	(1,217,162)	(459,875)	(1,677,037)
	<u> </u>	<u> </u>	<u> </u>
Unspent Prop 1B funds as of June 30, 2015	<u>\$ 30,488,168</u>	<u>\$ 155,435</u>	<u>\$ 30,643,603</u>

(1) Public Transportation, Modernization, Improvement, and Service Enhancement Account

(2) California Transit Security Grant, including CalEMA program from prior year

CONNECTING OUR COMMUNITY



OMNITRANS, San Bernardino, CA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2015





OmniTrans employees proved once more that they are driven to make a difference! With the completion of sbX, OmniTrans finalized plans and opened the cornerstone of East Valley operations - the San Bernardino Transit Center! Federal Transit Administration Regional IX Director, Leslie Rogers, commended OmniTrans and the San Bernardino Associated Governments for their “Perseverance in overcoming the challenges and hurdles” to take the project from vision to reality. The Transit Center will take its next big step in 2017 by introducing a Metrolink connection at that location to further enhance the public’s mobility options.

OmniTrans has recently introduced significant route improvements to increase connectivity throughout the San Bernardino Valley; including expanded express bus service to connect to major metropolitan destinations outside the OmniTrans service area. These new opportunities for the community that enhance mobility, reduce commute times, and improve frequency are here today! Positive changes, coupled with the commitment to a safe and secure transit system for our employees and the public, has made OmniTrans a stronger transit leader in “connecting our community”.

*P. Scott Graham
CEO/General Manager*

OMNITRANS

San Bernardino, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2015
(With Independent Auditor's Report Thereon)



Prepared by the Finance Department

DONALD WALKER
Director of Finance

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	i
Organizational Chart	vii
List of Elected and Appointed Officials	ix
GFOA Certificate of Achievement	xiii
General Information	xiv

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis (required supplementary information)	
Financial Highlights	3
Overview of the Financial Statements	4
Net Position	10
Changes in Net Position	10
Basic Financial Statements	
Statement of Net Position	14
Statement of Revenues, Expenses, and Changes in Net Position	15
Statement of Cash Flows	16
Notes to Basic Financial Statements	18
Required Supplementary Information	
Schedule of Changes in the Net Position Liability and Related Ratios	
Public Employees Retirement System (PERS)	38
Schedule of Contributions	39

STATISTICAL SECTION

Financial Trends	
Net Position by Component	41
Changes in Net Position	42
Revenue Capacity	
Revenue by Source	43
Demographics and Economics Information	
Demographics and Statistics of San Bernardino County	44
Principal Employers of San Bernardino County	45
Industry Employment and Labor Force	46
Economy and Economic Outlook	48
Operating Information	
Number of Employees	49
Operating Expenses by Category	50
Operating Expenses by Function	51
Capital Assets by Function	52



CONNECTING OUR COMMUNITY



CONNECTING OUR COMMUNITY





November 24, 2015

To the Members of the OmniTrans Board of Directors, CEO/General Manager and Citizens of the County of San Bernardino:

California Government Code sections 25250 and 25253 require that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published in fulfillment of that requirement for the fiscal year ended June 30, 2015.

This report provides an independently audited account of the financial condition of the Agency. The financial statements, supplemental schedules, and statistical information are the representations of OmniTrans' management. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Consequently, management assumes full responsibility for their accuracy, completeness and fairness.

Vavrinek, Trine, Day & Co., LLP, a firm of licensed certified public accountants, audited OmniTrans financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Agency for the fiscal year ended June 30, 2015, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that OmniTrans' financial statements for the fiscal year ended June 30, 2015 are fairly represented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

continued on next page

OmniTrans • 1700 West Fifth Street • San Bernardino, CA 92411
Phone: 909-379-7100 • Web site: www.OmniTrans.org • Fax 909-889-5779

Serving the communities of Chino Hills, Colton, County of San Bernardino, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The independent audit of the financial statements of OmniTrans was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the fair presentation of the financial statements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in a separate Single Audit report.

As stewards of the taxpayer's money, OmniTrans continues to achieve its primary objective of safeguarding the funds entrusted to us. Our primary focus is the planning, securing and controlling of OmniTrans' financial resources.

OmniTrans takes great pride in the fact that previously issued CAFRs have been awarded a prestigious award by the Government Finance Officers Association (GFOA) in the form of its Certificate of Achievement for Excellence in Financial Reporting. OmniTrans has received the GFOA "Certificate of Achievement for Excellence in Financial Reporting" a total of twelve times. These prior awards and the one that we are currently seeking this year evidence the significant improvements regarding the strengthening of internal controls and our compliance with stringent GFOA standards for professional financial reporting. OmniTrans' system of internal control is supported by written policies and procedures and is continually reviewed, evaluated and modified to meet current needs.

Local Economy

San Bernardino County is the largest county in the nation in terms of total land area. The county, along with Riverside County – its neighbor to the south – comprise the Inland Empire. The job and real estate markets are growing in the Inland Empire with the economy rebounding and the abundance of vacant land for residential, commercial and industrial development. The Inland Empire ranks 3rd as having the fastest growth rate at 4.2 percent, just under San Francisco and San Jose.

The Inland Empire was among the regions hardest hit by the recession in California, but it has since added back jobs at a pace exceeded only by the flourishing tech hubs in San Francisco and Santa Clara. The unemployment rate fell to 7.3% in January 2015 from a high of 14.2% in October 2009. Low and middle income families that dominate the area are benefitting from sunken oil prices, which encourage spending by making gasoline, food and other purchases more affordable.

The region is poised for new growth in residential and commercial development, the challenge will be ensuring the infrastructure is in place to accommodate development and attract developers to the region. Education will also be a challenge in terms of ensuring there are

enough properly trained and educated employees available for new companies establishing business in the county.

Long-term Financial Planning

OmniTrans continues to plan for the future in its short-term and the long-term planning. The short-term planning rarely looks further ahead than the 12 months in the fiscal year. It seeks to ensure that the Agency has enough cash to pay its bills. In the long-term planning, the planning horizon is typically 2 – 5 years. The long-term financial planning focuses on the Agency's long-term goals and the funding that must be secured prior to project implementation.

Like many medium-size public transit agencies, OmniTrans' approach to long-term financial planning is very conservative. The focus is centered on sustainability of current operations and the availability of federal, state, and local funding opportunities. Primarily all major capital projects are not implemented until the necessary funding has been identified and secured. OmniTrans does not issue debt of any kind to secure funding for its capital projects.

Under the direction of the Board of Directors, the Finance Department administers the financial affairs of OmniTrans. The department manages revenues, expenditures, investments, cash management, accounting, grants, and budgeting. The Finance Department is responsible for keeping abreast of current federal, state, and local grant funding opportunities to support the operations and long-term capital investment goals of OmniTrans.

There are two types of federal grant programs, (1) Formula grant programs - funded to States based on formulas of population, and (2) Discretionary grant programs - awarded based on meeting application requirements, and selected based on criteria specific to each grant. Each grant program is referred to by name and mostly by a number that correlates to the section number of Title 49 of the United States Code.

Listed below are capital projects along with a brief summary that are being discussed along with the opportunities and challenges of funding.

- Pipeline CNG Fueling Infrastructure Project
- West Valley Connector Corridor Project
- Rolling Stock Replacement Project

OmniTrans fueling process for its fleet of fixed-route buses include the delivery of liquefied natural gas (LNG), and gasification before fueling. Implementing a fueling infrastructure that utilizes pipeline gas will reduce fueling cost significantly.

The West Valley Connector Corridor is a rapid bus route from Fontana, CA to Pomona, CA. The rapid route is the initially preferred alternative that resulted from the sbX Holt Boulevard/4th Street Corridor Alternatives Analysis study funded by the FTA in 2011. The rapid route is projected to have 18,790 average daily boardings in 2035, a ridership increase of 45% along the corridor compared with the no-build alternative.

As with most of public transit systems, maintaining the condition of its transit infrastructure is an issue of vital importance and one that poses unique challenges. OmniTrans systematically replace its rolling stock after a vehicle has reached its useful life, ensuring the system is maintained in a “state of good repair” to provide efficient, reliable, and safe service.

Relevant Financial Policies

OmniTrans is required by its Board of Directors to develop a balanced annual operating and capital expenditure budget within the prescribed limits to meet the objectives of the subsequent fiscal year. The annual operating and capital budgets show in detail the estimated revenues and expenses necessary to operate OmniTrans’ service for the upcoming year. The annual budget serves as the foundation for OmniTrans financial planning and control of expenditures.

California Government Code, Section 53646, requires that each legislative body review and adopt an Investment Policy Statement on an annual basis. It is the policy of OmniTrans to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of the Agency and conforming to all state and local statutes governing the investment of public funds.

The investment policy applies to the cash funds of the Agency, except for its employees retirement system fund, which is administered separately by California Public Employees’ Retirement System (PERS) and the 457 Deferred Compensation Fund, administered separately by the International City/County Management Association Retirement Corporation.

OmniTrans implemented a Forward Fuel Purchasing Program whereby 150,000 gallons or 45% of its monthly compressed natural gas (CNG) is fixed on the New York Mercantile Exchange through Morgan Stanley. Due to the low price of fuel on the open market, the program is on hold until there is an increase in the price of natural gas.

Major Initiatives

Each year the federal government funds numerous public transit initiatives through an array of programs. Although the need for federal money to fund these initiatives has continued to grow, the federal budget increasingly has been strained by other competing funding priorities.

On the federal level, the Federal Transit Administration (FTA) sponsors an array of initiatives and programs to support research, coordination, and development of public transportation. Some of the FTA initiatives and programs that are of particular interest to OmniTrans include:

- Moving Ahead for Progress in the 21st Century Act (MAP-21) - MAP-21 consolidates certain transit programs to improve their efficiency and provides significant funding increases specifically for improving the state of good repair of the nation's transit systems. The law grants FTA authority to strengthen the safety of public transportation systems throughout the United States. It also streamlines the New Start process to expedite project delivery and provides for core capacity project eligibility.
- State of Good Repair (SGR) - State of Good Repair includes sharing ideas on recapitalization and maintenance issues, asset management practices, and innovative financing strategies. It also includes issues related to measuring the condition of transit capital assets, prioritizing local transit re-investment decisions and preventive maintenance practices. Finally, research and the identification of the tools needed to address this problem are vital. The FTA will lead the nation's effort to address the State of Good Repair by collaborating with industry to bring the nation's transit infrastructure into the 21st Century.

Although known for its car culture and extensive network of freeways and roads, California has a vast array of public transit systems statewide. It is expected that the State of California will enact new legislation on the transit industry.

- Assembly Bill 32 (AB 32), the California Global Warming Solutions Act of 2006, declares that global warming poses a serious threat to the economic well-being, public health, natural resources, and environment of California. AB 32 calls for the state to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020.
- Assembly Bill 1250 (Bloom) [Chapter 484, Statutes of 2015], an Association-sponsored bill that provides long-term relief from California's bus axle weight limit. Prior to the enactment of AB 1250, California law generally prohibited a transit operator from procuring a transit bus of a gross weight on any one axle in excess of 20,500 lbs.
- California's Advanced Clean Transit (ACT) regulation under consideration requires a fraction of bus purchases to be Zero Emission Bus (ZEB) technology beginning in 2018. This requirement would increase over time, with the goal of transitioning all transit fleets to ZEB technology by 2040. The ACT regulation seeks to transition transit fleets to ZEB technology without directing any new funding to offset the associated costs.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to OmniTrans for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. The Certificate of Achievement is a

prestigious national award, recognizing conformance with the highest standards for preparation of a state or local government financial report. This was the twelfth time OmniTrans has received this award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR.

OmniTrans' Procurement Department was awarded the Achievement of Excellence in Procurement (AEP). The AEP is awarded annually by the National Procurement Institute (NPI) to public and non-profit organizations throughout the United States and Canada who demonstrate innovation, professionalism, productivity, leadership and e-procurement excellence. OmniTrans' Procurement Department is one of 206 agencies that earned the 2015 AEP award, 12 of which are transit agencies.

As a result of the San Bernardino Bus Rapid Transit (sbX) project, E Street was voted "Best Urban Street Transformation of 2014 on StreetsBlog USA. It was one of five streets nominated in the national Streetsie award competition and garnered an overwhelming 48% of the vote. The transformation includes dedicated bus lanes, beautiful landscaping, and sbX BRT stations with original art whose themes share the rich histories of our local communities.

OmniTrans is proud to have been honored with multiple AdWheel Awards from the American Public Transportation Association (APTA). These prestigious annual awards acknowledge the creative excellence of member public transportation systems and business members in advertising, communications, and marketing.

- sbX Launch Commercial - 1st Place & Grand Prize Award in the Television Advertisement category
- OmniGo Bus Shelter Poster - 1st Place Award in the Billboard/Outdoor Advertising category
- Omnitrans App - 1st Place Award in the Mobile App category

Preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the Finance Department staff, with special thanks to Mae Sung, Accounting Manager and Maurice Mansion, Treasury Manager. We wish also to express our appreciation to P. Scott Graham, our CEO/General Manager, and Wendy Williams, Director of Marketing and Planning for their assistance and support of this report. We would also like to express our appreciation to the Board of Directors and members of the Administrative and Finance Committee.

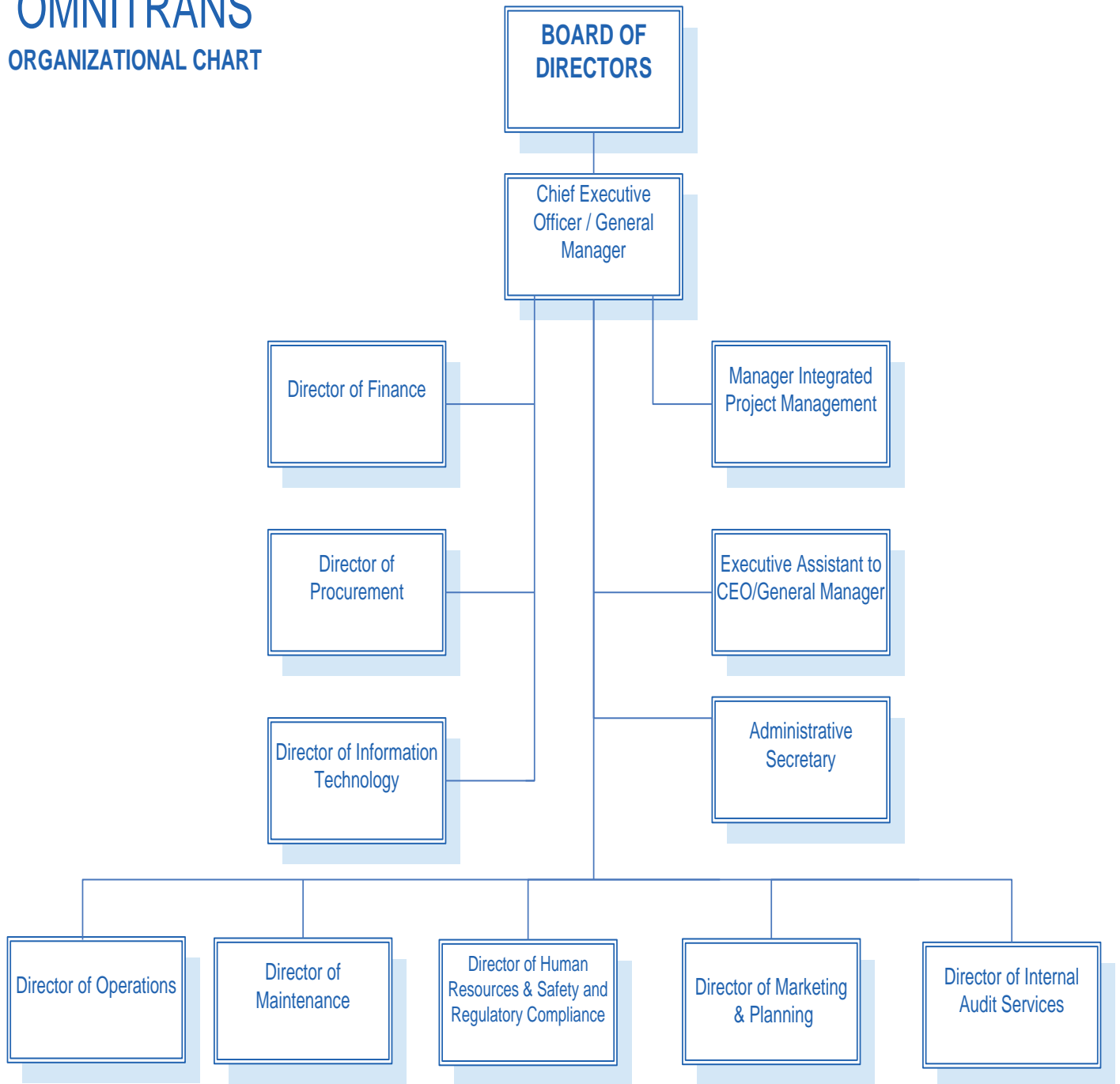
Respectfully submitted,



Donald Walker
Director of Finance, OMNITRANS

OMNITRANS

ORGANIZATIONAL CHART



OMNITRANS SENIOR LEADERSHIP TEAM

P. Scott Graham
CEO/General Manager

Donald Walker
Director of Finance

Marjorie Ewing
Director of Human Resources & Safety and Regulatory Compliance

Jacob Harms
Director of Information Technology

Andres Ramirez
Manager of Integrated Project Management Office

Samuel J. Gibbs
Director of Internal Audit Services

Jack Dooley
Director of Maintenance

Wendy S. Williams
Director of Marketing & Planning

Diane Caldera
Director of Operations

Jennifer Sims
Director of Procurement

OMNITRANS BOARD OF DIRECTORS



Chair
Alan Wapner
Ontario



Vice Chair
Sam Spagnolo
Rancho Cucamonga



Supervisor
Curt Hagman
County



Supervisor
Josie Gonzales
County



Supervisor
James Ramos
County



Supervisor
Janice Rutherford
County



Supervisor
Robert Lovingood
County



Dennis Yates
Chino



Ed Graham
Chino Hills



Richard De La Rosa
Colton



John B. Roberts, Jr
Fontana



Sylvia Robles
Grand Terrace



Penny Lilburn
Highland



Ron Dailey
Loma Linda



Paul Eaton
Montclair



Pat Gilbreath
Redlands



Deborah Robertson
Rialto



Cary Davis
San Bernardino



Ray Musser
Upland



Dick Riddell
Yucaipa



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Omnitrans
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

This page is intentionally left blank.

PROFILE OF OMNITRANS

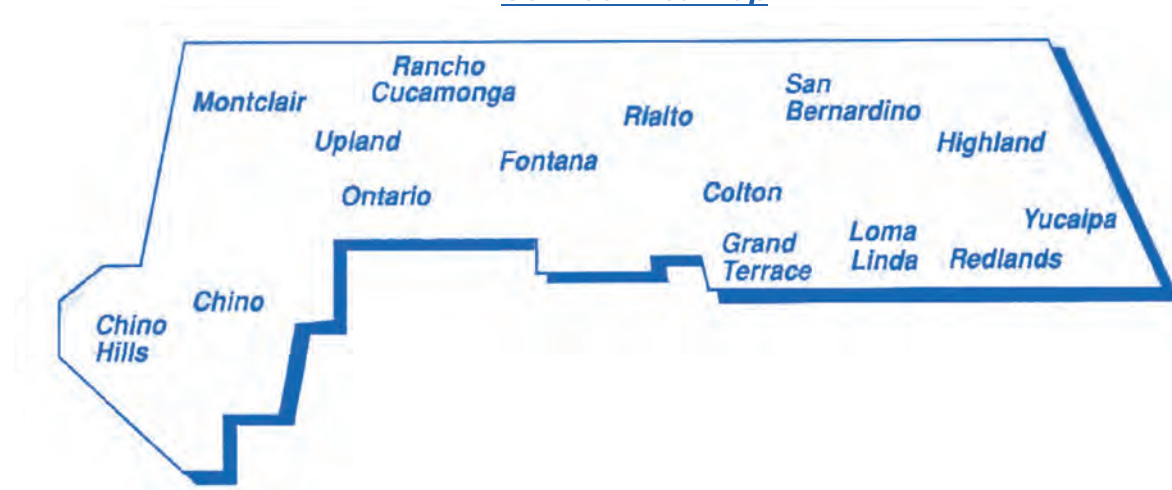
OmniTrans was founded in 1976 under a Joint Powers Agreement to provide transportation service to the San Bernardino Valley. OmniTrans is the major public transportation provider in the San Bernardino Valley, with a service area of approximately 456 square miles, serving fifteen municipalities, and many unincorporated areas of San Bernardino County. OmniTrans also travels beyond the service area to Pomona and Riverside, to provide links to neighboring transit agencies. The service area is bordered by the Los Angeles County line to the west, the San Gabriel and San Bernardino Mountains to the north, Yucaipa in the east and the Riverside County line to the south. The map below shows the OmniTrans service area. Employees work out of two locations: East Valley (San Bernardino) and West Valley (Montclair).

The Board of Directors, made up of elected officials from each of the member jurisdictions, governs the Agency. The member jurisdictions include the following:

City of Chino	City of Highland	City of Redlands
City of Chino Hills	City of Loma Linda	City of Rialto
City of Colton	City of Montclair	City of San Bernardino
City of Fontana	City of Ontario	City of Upland
City of Grand Terrace	City of Rancho	City of Yucaipa
County of San Bernardino		

Each city has one member and the County of San Bernardino has five members on the Board, who represent their respective County Districts. The Board is responsible for all policy, regulatory, and budgetary decisions of the Agency.

Service Area Map



Four Board committees oversee specific functional areas of the Agency with the provision to create ad-hoc committees as needed. These subcommittees are:

1. Executive Committee
2. Administrative and Finance Committee
3. Plans and Programs Committee
4. Operations and Safety Committee

As of June 30, 2015, OmniTrans had a staff of 657 employees to provide its services. The CEO/General Manager is responsible for the day-to-day management of the Agency and acts as the liaison to the Board of Directors and each of the committees. Reporting to the CEO/General Manager are the following departments:

1. Administration
2. Human Resources & Safety and Regulatory Compliance
3. Maintenance
4. Marketing & Planning
5. Operations
6. Integrated Project Management Office
7. Finance
8. Information Technology
9. Procurement

As cited in its Joint Powers Agreement (JPA), OmniTrans was created as a single umbrella agency to serve the bus transit needs of the San Bernardino Valley. Provisions were made in the JPA to: 1) Establish a uniform fare policy within the service area, 2) To coordinate a region wide bus transit marketing program, and 3) To consolidate bus transit operating and administrative functions in order to achieve increased economies of scale.

To meet the bus transportation service demands efficiently and effectively, OmniTrans uses a multimodal approach to the provisions of service. The types of services presently offered are summarized below:

sbX Bus Rapid Transit

- On April 28, 2014, OmniTrans launched the next generation of bus service in the San Bernardino Valley. The sbX Green line is a Bus Rapid Transit Line that serves the E Street Corridor in the cities of San Bernardino and Loma Linda..
- The sbX Green Line operates on weekdays from 6:00 AM with the last trip departing at 8:00 PM. It offers 10 minute peak service 6:00 AM to 9:00 AM and 3:00 PM to 6:00 PM. Off-peak service frequency is 15 minutes.
- The sbX Green Line is 15.7 miles long, with 5.4 miles of dedicated bus-only lanes. sbX has 16 named station locations and 23 platforms that offer enhanced amenities including level boarding, NexTrip arrival signs, ticket vending machines and custom shelters and benches.

Local Fixed Route Service

In accordance with the Operational Standards for the provision of service, OmniTrans operates 26 fixed routes and five OmniGo local circulator routes as of June 30, 2015.

Routes operate at 15 to 70 minute intervals.

All routes operate Monday through Friday with service beginning at 3:48 AM and ending at 11:13 PM. On Saturdays there are 24 routes and four OmniGo circulators in operation with service beginning at 5:13 AM and ending at 10:34 PM. On Sundays there are 22 routes and four OmniGo circulators in service which begin at 5:51 AM and end at 7:49 PM.

Coordinated local fixed-route service with Orange County Transit Authority, Foothill Transit, Riverside Transit Agency, and Mountain Area Regional Transit Authority; operated under Cooperative and/or Joint Service Agreements between OmniTrans and neighboring transit operators.

Regional Fixed Route Service

Route 215 is a cross-county service provided by OmniTrans. This route provides service between the OmniTrans 4th Street Transit Mall and Riverside Transit Agency's Downtown Terminal.

This route operates on 20/30-minute frequencies weekday and a 30-minute frequency on weekends.

FY14 Fixed-Route Service Frequency by Route

Route Count	Route	Route Name	Service Days/Frequency		
			Weekday	Saturday	Sunday
1	1	ARMC - San Bernardino - Del Rosa	15/30	30	30
2	2	Cal State - E Street - Loma Linda	30	20	20/30
3	3	Baseline - Highland - San Bernardino CCW	15	20	20
4	4	Baseline - Highland - San Bernardino CW	15	20	20
5	5	South Waterman - Del Rosa - Cal State	30	60	60
6	7	N. San Bernardino - Sierra Way - San Bernardino	30/60	60	60
7	8	San Bernardino - Mentone – Crafton Hills	30/60	60	120
8	10	Fontana - Baseline - San Bernardino	30/60	60	60
9	11	San Bernardino - Muscoy - Cal State	60	60	60
10	14	Fontana - Foothill - San Bernardino	15	15/30	15
11	15	Fontana - San Bndo/Highland - Redlands	30	60	60
12	19	Fontana –Colton-Redlands--Yucaipa	30	60	60

13	20	Fontana Metrolink - Via Hemlock - Kaiser	30	60	60
14	22	North Rialto - Riverside Ave - ARMC	30	60	60
15	29	Bloomington - Valley Blvd - Kaiser	60	60	*
16/17	308/309	OmniGo: Yucaipa	30/60	30	60
18	310	OmniGo: Yucaipa	30/60	*	*
19	325	OmniGo: Grand Terrace	70	70	70
20	215	San Bernardino – Riverside	20/30	60	60
21	61	Fontana-Ontario Mills-Pomona	15	15	15
22	63	Chino-Ontario-Upland	60	60	60
23	65	Montclair-Chino Hills	60	60	60
24	66	Fontana-Foothill Blvd.-Montclair	15/30	30	30
25	67	Montclair-Baseline-Fontana	60	*	*
26	68	Chino-Montclair-Chaffey College	20/40	60	*
27	80	Montclair— Ontario Conv. Ctr. – Chaffey College	60	60	60
28	81	Ontario-Ontario Mills-Chaffey College	60	*	*
29	82	Rancho Cucamonga-Fontana-Sierra Lakes	60	60	60
30	83	Upland-Euclid-Chino	60	60	60
31	365	OmniGo: Chino Hills	60	60	60
32	sbX	Green Line	10/15	*	*

** No Saturday or Sunday Service (as applicable)*

Metrolink Regional Commuter Rail Feeder Service

- Metrolink service is provided between OmniTrans service area, Los Angeles, Riverside, Orange, Ventura and San Diego Counties by Southern California Regional Rail Authority.
- OmniTrans provides feeder bus service to seven Metrolink Stations located in San Bernardino, Rialto, Fontana, Rancho Cucamonga, Upland, Montclair and East Ontario.
- Metrolink ticket/pass is good for one free ride going to or leaving from any Metrolink Station that an OmniTrans bus serves. Tickets must be valid for the date on which you're riding the bus.

Access

- In accordance with the Americans with Disabilities Act (ADA), OmniTrans provides wheelchair lift equipped vans for origin-to-destination transportation services.
- Reservations for service must be made one day in advance of your travel needs, with the option to call up to seven days in advance.

- Access operates during the same days and hours as fixed route buses within a $\frac{3}{4}$ mile range of routes.
- Who can ride Access? – Those persons with an OmniTrans (or other transit agency) ADA certification ID card. Persons with an OmniTrans Disability card. Personal Care Attendants providing personal care to an ADA certified rider. Companions (Adult accompanying person with a disability) and/or Children of a qualified Adult ADA certified rider. (Maximum of two children 46” tall and under may ride free. Children under age 6 and/or under 60 pounds must travel in a rider supplied child restraint device).

Omnilink

- Omnilink was a general public demand response van service in the cities of Chino Hills and Yucaipa. OmniLink service was eliminated on September 2nd, 2014 and only operated for two months during FY2015.

OmniGo Circulator Service

- OmniGo is a small bus fixed route community circulator service that operates in the cities of Chino Hills, Grand Terrace, and Yucaipa.
- OmniGo connects points of interest within each city and provides connectivity to OmniTrans fixed route bus service.
- All OmniGo services are contracted out by OmniTrans and operated by a private contractor.
- OmniGo fares are the same as those for other OmniTrans fixed route bus services.



CONNECTING OUR COMMUNITY



CONNECTING OUR COMMUNITY





INDEPENDENT AUDITORS' REPORT

Board of Directors
Omnitrans
San Bernardino, California

Report on the Financial Statements

We have audited the accompanying financial statements of Omnitrans as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Omnitrans' basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Omnitrans as of June 30, 2015, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Omnitrans implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, effective July 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13, the schedule of changes in the net pension liability and related ratios on page 38, and the schedule of contributions on page 39, 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 the 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 assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Omnitrans' basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Prior-Year Comparative Information

We have previously audited Omnitrans' 2014 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated December 12, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2016, on our consideration of Omnitrans' 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 Omnitrans' internal control over financial reporting and compliance.



Rancho Cucamonga, California
January 28, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of OmniTrans (the Agency), we offer the readers of the Agency's financial statements this narrative overview and analysis of the financial activities for the Agency for the fiscal year ended June 30, 2015.

We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the transmittal letter and financial statements, which are included in this report.

Financial Highlights

- At the end of fiscal year 2015, the Statement of Net Position presents total assets of \$258.4 million. A decrease of \$62.8 million at the close of the previous fiscal year-end. Of this amount, \$72.1 million in capitalized assets associated with the construction of the E Street Bus Rapid Transit (sbX) was transferred to the City of San Bernardino.
- Cash and investments decreased \$12.5 million or 22.8 percent below the previous fiscal year-end. Federal grants for preventive maintenance were not available for drawdown due to the hold by the Department of Transportation (DOT). Additionally, FY2014 surplus of \$5.8 million is held by San Bernardino Associated Governments, the County Transportation Commission for the valley.
- Intergovernmental receivables at June 30, 2015 decreased \$1.5 million or 8.0 percent compared to last fiscal year-end. At fiscal year-end for 2014 and 2015 the availability of grant funds for drawdown was limited due to the ongoing litigation regarding California's Public Employee Pension Reform Act (PEPRA).
- Capital assets decreased \$49.0 million or 19.9 percent compared to the previous fiscal year-end. This decrease is attributed to the transfer of assets to the City of San Bernardino. This decrease was offset by the bus facility remodel and the San Bernardino Transit Center not yet completed.
- Current liabilities at fiscal year end June 30, 2015 decreased \$12.0 million or 20.5 percent below the previous fiscal year-end. The decrease is mainly attributed to a reduction in accounts payable and unearned revenue of \$6.4 million and \$5.4 million, respectively.
- Noncurrent liabilities at June 30, 2015 increased \$8.9 million or 116.6 percent compared to June 30, 2014. The increase is attributed to recognition of a \$10.3 million *Net Pension Liability* under Governmental Accounting Standards Board Statement No. 68 (GASB 68).

MANAGEMENT’S DISCUSSION AND ANALYSIS

- Operating revenues increased \$0.7 million or 4.7 percent over the previous fiscal year-end. Operating expenses, excluding depreciation, at fiscal year-end June 30, 2015 increased \$5.5 million or 8.4 percent compared to last fiscal year end.
- Non-operating revenues, which include federal and local operating grants, pass-through and donation to other agencies, decreased by \$63.7 million or 137.0 percent due to the transfer of sbX capitalized assets to the City of San Bernardino.
- Capital assistance decreased \$21.8 million or 36.9 percent compared to the previous fiscal year-end. This decrease is due to the substantially completed sbX project, and the San Bernardino Transit Center.

Overview of the Financial Statements

This annual financial report consists of two parts, Management’s Discussion and Analysis, and the financial statements, including notes to the financial statements, and required supplementary information. The Agency financial statements offer key, high-level financial information about the Agency’s activities.

The Agency is a government funded entity that follows enterprise fund accounting and presents its financial statement on the accrual basis of accounting. The enterprise fund concept is similar to how private business enterprises are financed and operated.

The statements of net position include information on all of the Agency’s assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference reported as net position. Changes in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of revenues, expenses and change in net position present information regarding how the Agency net position changed during the fiscal years ended June 30, 2015 and 2014. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, and amounts are measurable, regardless of the timing of related cash flows.

Financial Statements Analysis

The following tables summarize revenues, expenses and changes in net position comparing fiscal year 2015 with fiscal year 2014. For additional information regarding the Agencies financial activities for fiscal year ended June 30, 2015, readers are encourage to read this section in conjunction with the accompanying Notes to the Basic Financial Statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenues and Expenses

Revenues

OmniTrans total revenues for fiscal year ending June 30, 2015 show a \$16.5 million or 13.1% decrease compared to last fiscal year-end. Revenue from fares, pass and ticket sales less discount to pass sale vendors was \$0.6 million above the previous fiscal year-end. Total advertising and other transportation revenues were \$586.8 thousand compared to \$527.3 thousand for the previous fiscal year-end.

Federal and local operating grants for OmniTrans increased from \$50.8 million in fiscal year 2014 to \$55.1 million in fiscal year 2015. This represents a \$4.3 million or 8.5 percent increase in federal and local operating grants revenue. OmniTrans receives federal, state, and local funding which are utilized for both operating and capital expenditures.

Financing the construction, operation and maintenance of public transportation systems involves many different types of funding sources, including federal and non-federal grants, and other revenue sources. The source of federal and local operating grants and capital assistance OmniTrans receive include the following:

- Measure I - the ½ cent sales tax collected throughout San Bernardino County for transportation improvements.
- Local Transportation Fund (LTF) - Transportation Development Act (TDA) earmark ¼ percent of the state sales tax for transit.
- Urbanized Area Formula Program (5307) - transit capital and operating assistance in urbanized areas and for transportation-related planning.
- Congestion Mitigation and Air Quality Improvement (CMAQ) - established to support surface transportation projects and other related efforts that contribute air quality improvements and provide congestion relief.
- Job Access and Reverse Commute (JARC) – established to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and non-urbanized areas to suburban employment opportunities.
- New Freedom - a formula grant program aims to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force available to people with disabilities beyond the requirements of the Americans with Disabilities Act of 1990 (ADA).

MANAGEMENT'S DISCUSSION AND ANALYSIS

- State Transit Assistance Fund (STAF) - derived from sales tax on gasoline and diesel fuel, this funding is an allocation to local transit agencies to fund a portion of the operations and capital costs associated with local mass transportation programs.
- Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) - created by Proposition 1B, is funding available to transit operators over a ten-year period. PTMISEA funds may be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement.

Interest income for the Agency consists of quarterly return on investment with the Local Agency Investment Fund (LAIF). The LAIF program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office at no additional cost. Total interest income for fiscal year ended June 30, 2015 was \$43.5 thousand or 1.9 percent below previous fiscal year-end.

Revenue from the Compressed Natural Gas (CNG) fuel tax credit for fiscal year ended June 30, 2015 increased \$252.8 thousand or 23.6 percent compared to last fiscal year-end. The credit initially went into effect October 1, 2006 and expired December 31, 2009. Congress extended this credit three times.

The first extension extended the credit for 2011, and made it retroactive for fuel sales or use during 2010. The second extension occurred January 3, 2013, and extended the availability of the 50-cent credit through the end of 2013 and made it retroactive for 2012. The third extension extended the credit for 2014.

The Senate Committee on Finance approved semi-annual extensions of several business tax credits and deductions in July 2015. The extensions included the extension of the Alternative Fuel Tax Credit for calendar year 2015 and 2016. The extensions are still in Congress waiting approval.

Other non-operating revenues consist mainly of quarterly reimbursement to the Agency from the Amalgamated Transit Union (ATU) Local 1704 for wages and benefits paid by the Agency to ATU Officers/Stewards during normal work hours to process grievances. Total other non-operating revenues increased \$16.0 thousand or 103.5 percent above last fiscal year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OMNITRANS' Revenues

	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Passenger fares	\$ 15,015,499	14,368,317	647,182	4.5
Advertising revenue	532,322	485,327	46,995	9.7
Other Transportation Revenue	54,440	41,978	12,462	29.7
Federal and local operating grants	55,090,857	50,785,745	4,305,112	8.5
Capital assistance	37,167,461	58,935,750	(21,768,289)	(36.9)
Interest Income	43,486	44,311	(825)	(1.9)
CNG fuel tax credit	1,324,615	1,071,808	252,807	23.6
Other non-operating revenues/(expenses)	31,549	15,505	16,044	103.5
Total Revenue	\$ <u>109,260,229</u>	<u>125,748,741</u>	<u>(16,488,512)</u>	(13.1)

Expenses

Total expenses for fiscal year-end 2015 increased \$71.6 million or 83.1 percent compared to the previous fiscal year-end. Significant increases in wages, salaries, and benefits, general and administrative expenses, professional and technical services were offset by decreases in pass-through to other agencies, loss on disposal of capital assets, depreciation. Expenses include \$72.1 million in donation to other agency of capitalized assets.

Wages, salaries and benefits increased \$2.6 million or 6.6 percent over the previous fiscal year-end. This increase is attributed to the agreement on January 14, 2015 between OmniTrans and the Amalgamated Transit Union Local 1704 effective April 1, 2013 through March 31, 2016. The agreement included a 0% wage increase in Year 1, 2.75% in Year 2, and 2.75% in Year 3. Also, the five (5) year wage freeze was lifted for management confidential employees.

General and administrative expenses include occupancy expenses (utilities, communication and office equipment, repairs, ground maintenance, stops and stations, etc.), casualty & liability expenses (property, general, vehicle, and workers compensation insurance). Occupancy expenses increased \$273 thousand or 8.7% above previous fiscal year. Casualty & liability expenses increased \$1.7 million or 148.8% above previous fiscal year. Previous fiscal year-end Workers compensation expense was significantly lower due to reserve adjustments by the new Third Party Administrator for workers compensation.

Capital purchases are grant reimbursed costs not associated with a capital asset, or do not increase the expected life of a capital asset. These costs are expensed at the time of purchase. Capital purchases decreased \$255 thousand or 33.6% below the previous fiscal year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Material and supplies increased \$46.6 thousand or 0.5 percent over last fiscal year-end. The increase in the cost for unleaded fuel was offset by the decrease in cost for compressed natural gas (CNG).

Professional and technical services at fiscal year ended June 30, 2015 increased \$754.5 thousand or 32.6 percent above previous fiscal year ended June 30, 2014. The increase in cost is mainly attributed to the Board of Directors approving a one-time stipend paid to active ATU members upon the signing of the Memorandum of Understanding (MOU).

OmniTrans, as a direct grantee of FTA funding, is responsible for complying with specific FTA requirements. San Bernardino Associated Governments (SANBAG) conducts the solicitation, evaluation and selection process for FTA funds. However OmniTrans does participate in the evaluation process as well, and is solely responsible for project management oversight for sub-recipients. The pass-through to other agencies represents federal and local reimbursements to sub-recipients for cost incurred on approved projects. Pass-through payments to other agencies decreased \$3.2 million or 70.9 percent compared to the previous fiscal year-end.

Loss on disposal of capital assets decreased \$645.6 thousand when compared to fiscal year ended June 30, 2014. The decrease in loss on disposal of capital assets is attributed to the a higher than normal loss on disposal for fiscal year-end 2014 due to the demolition and remodel of the bus wash and fueling facilities to accommodate the sbX articulated buses.

Donation to other agencies were capitalized assets associated with construction of the sbX Bus Rapid Transit (BRT) project in areas that are within the public Right of Way. The remaining capitalized assets associated with the project consist of work at the stations, and park and rides, which are physical property retained and maintained by OmniTrans.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OMNITRANS' Expenses

		<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Wages, salaries, and benefits	\$	41,697,176	39,097,952	2,599,224	6.7
Purchased transportation services		9,261,048	9,075,431	185,617	2.0
General and administrative expenses		6,344,136	4,365,255	1,978,881	45.3
Materials and supplies		9,191,072	9,144,483	46,589	0.5
Capital purchases		503,602	758,859	(255,257)	(33.6)
Professional and technical services		3,066,686	2,312,152	754,534	32.6
Advertising and printing		939,460	881,217	58,243	6.6
Pass-through to other agencies		1,297,931	4,459,471	(3,161,540)	(70.9)
Loss on disposal of capital assets		323,574	969,126	(645,552)	(66.6)
Depreciation		12,742,411	14,899,383	(2,156,972)	(14.5)
Miscellaneous		364,956	208,516	156,440	75.0
Donation to Other Agency		<u>72,050,050</u>	<u>0</u>	<u>72,050,050</u>	100.0
Total Expenses	\$	<u>157,782,102</u>	<u>86,171,845</u>	<u>71,610,257</u>	83.1

Net Position

The Agency's total net position for fiscal year ending June 30, 2015 decreased \$63.5 million or 24.9 percent below fiscal year ended June 30, 2014. Total assets for the fiscal year decreased \$62.8 million or 19.5 percent. This is due primarily to the transfer of \$72.1 million in capitalized assets to the City of San Bernardino. The capitalized assets were associated with construction of the sbX Bus Rapid Transit (BRT) project in areas that are within the public Right of Way.

Total liabilities decreased \$3.1 million or 4.7% compared to the previous fiscal year-end. Current liabilities decreased \$12.0 million or 20.5 percent due to a larger than normal accrual of capital liabilities at fiscal year ended June 30, 2014. Long-term liabilities increased \$8.9 million or 116.6 percent due to the recognition of \$10.3 million in Net Pension liability required by Governmental Accounting Standards Board Statement No. 68 (GASB 68).

Also new to the Statement of Net Position is deferred inflows/outflows of resources, related to pension as required by GASB 68. For fiscal year ended June 30, 2015, deferred inflows of resources was \$8.9 million. The \$8.9 million is the net difference between projected and actual earnings on the pension plan investments. In addition, deferred outflows of resources include contribution made subsequent to the measurement date.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OMNITRANS' Statement of Net Position

	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Assets:				
Current and other assets	\$ 61,750,576	75,531,155	(13,780,579)	(18.2)
Net Capital Assets	<u>196,610,392</u>	<u>245,580,650</u>	<u>(48,970,258)</u>	(19.9)
Total Assets	<u>258,360,968</u>	<u>321,111,805</u>	<u>(62,750,837)</u>	(19.5)
Deferred outflow of resources:				
Deferred amount on pensions	<u>5,057,296</u>	<u>0</u>	<u>5,057,296</u>	100.0
Total Deferred outflow of resources	<u>5,057,296</u>	<u>0</u>	<u>5,057,296</u>	100.0
Liabilities:				
Current Liabilities	46,755,675	58,791,800	(12,036,125)	(20.5)
Long-term Liabilities	<u>16,523,112</u>	<u>7,628,446</u>	<u>8,894,666</u>	116.6
Total Liabilities	<u>63,278,787</u>	<u>66,420,246</u>	<u>(3,141,459)</u>	(4.7)
Deferred inflow of resources:				
Deferred amount on pension (Note 8)	<u>8,921,206</u>	<u>0</u>	<u>8,921,206</u>	100.0
Total Deferred inflow of resources	<u>8,921,206</u>	<u>0</u>	<u>8,921,206</u>	100.0
Net Position:				
Invested in capital assets	196,481,291	245,312,381	(48,831,090)	(19.9)
Unrestricted (Note 13)	<u>(5,263,020)</u>	<u>9,379,178</u>	<u>(14,642,198)</u>	(156.1)
Total Net Position	<u>\$ 191,218,271</u>	<u>254,691,559</u>	<u>(63,473,288)</u>	(24.9)

Changes in Net Position

The following Statement of Revenues, Expenses, and Changes in Net Position table illustrate and compare the various categories of assets, liabilities and net position for the two fiscal years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OMNITRANS' Statement of Revenues, Expenses, and Changes in Net Position

	Fiscal Year <u>2015</u>	Fiscal Year <u>2014</u>	Increase <u>(Decrease)</u>	Percent Increase <u>(Decrease)</u>
Revenues:				
Passenger fares	\$ 15,015,499	14,368,317	647,182	4.5
Advertising revenues	532,322	485,327	46,995	9.7
Other transportation revenues	<u>54,440</u>	<u>41,978</u>	<u>12,462</u>	29.7
Total revenues	<u>15,602,261</u>	<u>14,895,622</u>	<u>706,639</u>	4.7
Expenses:				
Depreciation and amortization	12,742,411	14,899,383	(2,156,972)	(14.5)
Other operating expenses	<u>71,365,710</u>	<u>65,839,285</u>	<u>5,526,425</u>	8.4
Total expenses	<u>84,108,121</u>	<u>80,738,668</u>	<u>3,369,453</u>	4.2
Nonoperating Revenue/(Expenses)				
Fed. & local operating grants (Note 3)	55,090,857	50,785,745	4,305,112	8.5
Interest income	43,486	44,311	(825)	(1.9)
Interest expense	(2,426)	(4,580)	2,154	(47.0)
Pass-through to other agencies (Note 10)	(1,297,931)	(4,459,471)	3,161,540	(70.9)
CNG fuel tax credit	1,324,615	1,071,808	252,807	23.6
Donation to other agency	(72,050,046)	0	(72,050,046)	(100.0)
Other nonoperating revenues (expenses)	<u>(292,025)</u>	<u>(953,621)</u>	<u>661,596</u>	(69.4)
Total nonoperating revenues	<u>(17,183,470)</u>	<u>46,484,192</u>	<u>(63,667,662)</u>	(137.0)
Income before capital contribution	<u>(85,689,330)</u>	<u>(19,358,854)</u>	<u>(66,330,476)</u>	342.6
Capital contributions				
Capital assistance	<u>37,167,461</u>	<u>58,935,750</u>	<u>(21,768,289)</u>	(36.9)
Total capital contributions	<u>37,167,461</u>	<u>58,935,750</u>	<u>(21,768,289)</u>	(36.9)
Change in net assets	(48,521,869)	39,576,896	(88,098,765)	(222.6)
Net position, beginning of year	<u>254,691,559</u>	<u>215,114,663</u>	<u>39,576,896</u>	18.4
Prior Period Adjustment (Note 12)	<u>(14,951,419)</u>	<u>0</u>	<u>(14,951,419)</u>	(100.0)
Net position, beginning of year, as restated	<u>239,740,140</u>	<u>215,114,663</u>		
Net position, end of year	\$ <u><u>191,218,271</u></u>	<u><u>254,691,559</u></u>	<u><u>(63,473,288)</u></u>	(24.9)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Administration

Capital Assets

At June 30, 2015, the Agency had a total of \$196.6 million invested in capital assets. This total represents an overall decrease of \$49.0 million or 19.9% below the prior fiscal year-end total of \$245.6 million. The majority of the capitalized assets associated with the sbX project were transferred from construction in progress to building and improvements. Additionally, \$72.1 million in capitalized assets associated with the project were transferred to the City of San Bernardino.

OMNITRANS' Capital Assets (net of accumulated depreciation)

	Fiscal Year <u>2015</u>	Fiscal Year <u>2014</u>	Increase (Decrease)	Percent Increase (Decrease)
Buildings and improvements	\$ 108,559,520	44,328,931	64,230,589	144.9
Operations equipment	114,988,700	107,251,843	7,736,857	7.2
Furniture and office equipment	37,358,411	35,569,147	1,789,264	5.0
Construction in progress	44,725,273	161,973,272	(117,247,999)	(72.4)
Land	10,522,709	10,522,709	0	0.0
Accumulated depreciation	<u>(119,544,221)</u>	<u>(114,065,252)</u>	<u>(5,478,969)</u>	4.8
Total capital assets	\$ <u>196,610,392</u>	<u>245,580,650</u>	<u>(48,970,258)</u>	(19.9)

Additional information regarding the Agency's capital assets can be found in Note 5 in the Notes to the Basic Financial Statements.

Debt Administration

At June 30, 2015, the Agency had \$22.0 million in long-term liabilities compared to \$33.0 million at June 30, 2014. The June 30, 2014 balance was increased \$19.7 million to include the Net pension liability. The portion of long-term liabilities anticipated to become payable within one year is \$5.5 million or 24.8%. Additional information regarding the Agency's long-term liabilities can be found in Note 4 to the Basic Financial Statements.

MANAGEMENT’S DISCUSSION AND ANALYSIS

OMNITRANS’ Long-Term Liabilities

	Fiscal Year \$ <u>2015</u>	Fiscal Year <u>2014</u>	Increase (Decrease)	Percent Increase (Decrease)
Claims payable	7,884,314	9,493,032	(1,608,718)	(16.9)
Capital leases	129,101	268,269	(139,168)	(51.9)
Compensated absences	3,634,716	3,553,056	81,660	2.3
Net pension liability	<u>10,336,490</u>	<u>19,700,991</u>	<u>(9,364,501)</u>	(47.5)
Total long-term liabilities	\$ <u>21,984,621</u>	<u>33,015,348</u>	<u>(11,030,727)</u>	(33.4)

Next Year’s Budget

OmniTrans prepares an operating and capital budget annually that is approved by the Board of Directors prior to the beginning of its fiscal year. The operating budget for fiscal year ending June 30, 2016 increased proportionately due to the launch of the sbX BRT service. The challenge is containing cost, and providing safe, dependable, and quality public transit service at current levels.

The capital budget consists of a multi-year program that includes the San Bernardino Transit Center, fixed route and access service vehicle replacement. Funding for these major projects have been identified, approved by the Board of Directors, and committed to those projects.

Contacting the Agency’s Financial Management

This financial report is designed to provide our customers, stakeholders, and creditors with an overview of the Agency’s financial operations and condition. If you have a question about this report or need additional information, you may contact the Agency’s Finance Director at 1700 W. 5th Street, San Bernardino, California 92411-2499.

OMNITRANS

STATEMENT OF NET POSITION

JUNE 30 2015 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

	2015	2014
ASSETS:		
CURRENT ASSETS:		
Cash and investments (Note 2)	\$ 42,154,334	\$ 54,606,906
Receivables:		
Accounts, net of allowances	135,029	263,240
Interest	9,034	13,944
Intergovernmental	16,971,427	18,445,255
Inventory	2,006,703	1,787,199
Prepaid items	474,049	414,611
TOTAL CURRENT ASSETS	61,750,576	75,531,155
NONCURRENT ASSETS:		
Capital assets, not depreciated (Note 5)	55,247,982	172,495,981
Capital assets, depreciated, net (Note 5)	141,362,410	73,084,669
TOTAL NONCURRENT ASSETS	196,610,392	245,580,650
TOTAL ASSETS	258,360,968	321,111,805
DEFERRED OUTFLOW OF RESOURCES:		
Deferred amount on pensions (Note 8)	5,057,296	-
TOTAL DEFERRED OUTFLOW OF RESOURCES	5,057,296	-
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable	8,256,718	14,657,136
Accrued salaries and benefits	2,161,099	2,102,918
Retainage payable	-	38,968
Interest payable	464	634
Unearned revenue	30,875,885	36,306,233
Compensated absences payable - current portion (Note 4)	2,409,511	2,387,968
Capital leases payable - current portion (Note 4)	129,101	139,168
Claims payable - current portion (Note 4)	2,922,897	3,158,775
TOTAL CURRENT LIABILITIES	46,755,675	58,791,800
NONCURRENT LIABILITIES:		
Compensated absences payable (Note 4)	1,225,205	1,165,088
Capital leases payable (Note 4)	-	129,101
Claims payable (Note 4)	4,961,417	6,334,257
Net Pension Liability (Note 8)	10,336,490	-
TOTAL NONCURRENT LIABILITIES	16,523,112	7,628,446
TOTAL LIABILITIES	63,278,787	66,420,246
DEFERRED INFLOW OF RESOURCES:		
Deferred amount on pensions (Note 8)	8,921,206	-
TOTAL DEFERRED INFLOW OF RESOURCES	8,921,206	-
NET POSITION:		
Net investment in capital assets (Note 13)	196,481,291	245,312,381
Unrestricted (Note 13)	(5,263,020)	9,379,178
TOTAL NET POSITION	\$ 191,218,271	254,691,559

See accompanying notes to basic financial statements.

OMNITRANS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30 2015 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

	2015	2014
OPERATING REVENUES:		
Passenger fares	\$ 15,015,499	\$ 14,368,317
Advertising revenue	532,322	485,327
Other transportation revenue	54,440	41,978
TOTAL OPERATING REVENUES	15,602,261	14,895,622
OPERATING EXPENSES:		
Salaries and benefits	41,697,176	39,097,952
Purchased transportation services	9,261,048	9,075,431
General and administrative	6,344,136	4,365,255
Materials and supplies	9,191,072	9,144,483
Capital purchases	503,602	758,859
Professional and technical services	3,066,686	2,312,152
Advertising and printing	939,460	881,217
Depreciation	12,742,411	14,899,383
Miscellaneous	362,530	203,936
TOTAL OPERATING EXPENSES	84,108,121	80,738,668
OPERATING INCOME/(LOSS)	(68,505,860)	(65,843,046)
NONOPERATING REVENUES/(EXPENSES):		
Federal and local operating grants	55,090,857	50,785,745
Interest income	43,486	44,311
Interest expense	(2,426)	(4,580)
Pass-through to other agencies (Note 10)	(1,297,931)	(4,459,471)
Loss on disposal of capital assets	(323,574)	(969,126)
CNG fuel credit	1,324,615	1,071,808
Donation to other agency	(72,050,046)	-
Other nonoperating revenues	31,549	15,505
TOTAL NONOPERATING REVENUES/(EXPENSES)	(17,183,470)	46,484,192
INCOME/(LOSS) BEFORE CAPITAL CONTRIBUTIONS	(85,689,330)	(19,358,854)
CAPITAL CONTRIBUTIONS:		
Capital assistance	37,167,461	58,935,750
CHANGE IN NET POSITION	(48,521,869)	39,576,896
NET POSITION, BEGINNING OF YEAR	254,691,559	215,114,663
Prior Period Adjustment (Note 12)	(14,951,419)	-
NET POSITION, BEGINNING OF YEAR, AS RESTATED	239,740,140	215,114,663
NET POSITION, END OF YEAR	\$ 191,218,271	\$ 254,691,559

See accompanying notes to basic financial statements.

OMNITRANS

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30 2015 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 15,730,472	\$ 14,732,720
Nonoperating miscellaneous receipts (payments)	1,243,289	1,087,313
Cash payments to suppliers for goods and services	(36,024,320)	(29,011,617)
Cash payments to employees for services	(43,804,197)	(42,550,403)
Net cash used for operating activities	(62,854,756)	(55,741,987)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Federal, state, and local operating grants	55,090,857	56,538,655
Pass-through payments to other agencies	(1,297,931)	(4,459,471)
Net cash provided by non-capital financing activities	53,792,926	52,079,184
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(36,184,741)	(55,454,294)
Principal paid on capital leases	(139,168)	(157,122)
Interest paid on capital leases	(2,596)	(5,444)
Capital grants received	32,887,367	95,435,008
Net cash provided by (used for) capital and related financing activities	(3,439,138)	39,818,148
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	55,321,513	44,200,000
Purchase of investments	(33,457,023)	(75,933,688)
Interest received	48,396	37,626
Net cash provided by/(used for) investing activities	21,912,886	(31,696,062)
Net increase in cash and cash equivalents	9,411,918	4,459,283
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	14,193,888	9,734,605
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 23,605,806	\$ 14,193,888
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO AMOUNTS REPORTED ON STATEMENT OF NET POSITION:		
Reported on statement of net position:		
Cash and investments	\$ 42,154,334	\$ 54,606,906
Less investments not meeting the definition of cash and cash equivalents	(18,548,528)	(40,413,018)
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 23,605,806	\$ 14,193,888

(Continued)

See accompanying notes to basic financial statements.

OMNITRANS

STATEMENT OF CASH FLOWS (CONTINUED)

YEAR ENDED JUNE 30 2015 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2014)

	2015	2014
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating income (loss)	\$ (68,505,860)	\$ (65,843,046)
Adjustments to net cash used by operating activities:		
Depreciation	12,742,411	14,899,383
Nonoperating miscellaneous income	1,356,164	1,087,313
Realized (gain) loss on sale of capital assets	323,574	969,126
(Increase) decrease in accounts receivable	128,211	(162,902)
(Increase) decrease in inventory	(219,504)	(193,738)
(Increase) decrease in prepaid items	(59,438)	(111,197)
Increase (decrease) in accounts payable	(6,400,418)	(2,934,475)
Increase (decrease) in salaries and benefits payable	(692,838)	351,742
Increase (decrease) in compensated absences payable	81,660	(186,760)
Increase (decrease) in claims payable	(1,608,718)	(3,617,433)
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ (62,854,756)</u>	<u>\$ (55,741,987)</u>

See accompanying notes to basic financial statements.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

OmniTrans was organized on March 8, 1976, by a joint powers agreement between the County of San Bernardino, California and the following cities: Chino; Colton; Fontana; Loma Linda; Montclair; Ontario; Redlands; Rialto; San Bernardino; and Upland under Section 6506 of the California Government Code for the purpose of providing transit services under a single agency. The following cities were added thereafter: Rancho Cucamonga and Grand Terrace in 1979; Highland in 1988; Yucaipa in 1990; and Chino Hills in 1992.

OmniTrans provides a variety of transit services to the public of San Bernardino County. These services include bus operations, purchased transportation services with independent contractors and demand response transportation services. OmniTrans also functions as a “pass-through” administrative agency for various federal, state and local grants.

Basis of Accounting

OmniTrans is accounted for as an enterprise fund (proprietary fund type). Proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Classification of Revenues and Expenses

Enterprise 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 an enterprise fund’s principal operations. The principal operating revenues of OmniTrans consist of bus transit services. Non-operating revenues consist of federal, state and local operating grants, and investment income. Operating expenses for enterprise funds include the cost of sales, administrative expenses and depreciation on capital assets.

Expenses not meeting this definition are reported as non-operating expenses. Non-operating expenses primarily consist of payments to pass-through agencies and interest expense.

Capital contributions consist of grants that are legally restricted for capital expenses by federal, state or local law that established those charges.

When both restricted and unrestricted resources are available for use, it is OmniTrans’ policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

Investments

Investments are reported in the accompanying Statement of Net Position at fair value. Changes in fair value that occur during the fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Doubtful Accounts

OmniTrans provides an allowance for doubtful accounts for all accounts deemed uncollectible. As of June 30, 2015, all accounts were deemed collectible resulting in an allowance for doubtful accounts of \$0.

Inventories

Inventories consist of Operations vehicles' parts and fuel in storage held for consumption. The parts and fuel in storage are stated at the lower of cost (average cost method) or market. The value of parts and fuel held in storage as of June 30, 2015 was \$2,006,703.

Capital Assets

Capital assets are valued at cost or estimated historical cost if actual cost is not available. Donated assets are valued at their estimated fair market value on the date donated. OmniTrans capitalizes all assets with a historical cost of at least \$2,000 and a useful life of at least one year. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciation of capital assets used by OmniTrans is charged as an expense against its operations. Depreciation is computed utilizing the straight-line method over the following estimated useful lives:

<u>Category</u>	<u>Number of Years</u>
Buildings and improvements	5 to 30
Operations equipment	3 to 12
Furniture and office equipment	3 to 20

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. OmniTrans reports deferred amount on pension contributions subsequent to the measurement date as outflows of resources in the period that the amounts become available.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item that qualifies for reporting in this category. OmniTrans reports deferred amount on pensions for differences between projected and actual earnings on pension plan investments.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

It is OmniTrans' policy to permit employees to accumulate earned but unused vacation and sick leave benefits up to certain limits. Management, non-exempt, and coach operator employees begin to accrue vested sick leave hours after six months of service. Upon voluntary resignation, retirement or death and after six months of service, management and non-exempt employees or their estate are paid for any unused sick leave up to a maximum of 50 percent of the available sick leave hours not to exceed 1,200 hours (e.g. 50 percent of 1,200 hours would be paid at 600 hours). Represented employees begin to accrue vested sick leave hours after reaching a certain amount of service time based upon their respective work classification. Teamsters accrue sick leave after 1,040 hours of actual hours worked and Amalgamated Transit Union (ATU) members are after their first year of continuous full-time employment, based upon their respective work classification. Upon voluntary resignation, retirement, or death, and after a certain amount of years of service (ATU members after 8 years of service and Teamsters after 10 years of service), represented employees or their estate are paid for any unused sick leave up to a maximum of 50 percent of available sick leave hours not to exceed 1,200 hours (e.g. 50 percent of 1,200 hours would be paid at 600 hours).

Full-time non-represented employees begin to accrue vacation hours after 6 months of service. Employee vacation credits may be accrued and accumulated up to a maximum of 2 years total accumulated vacation credits. Eligible employees with an annual accrual of 3 or more weeks of vacation per year, after taking 80 hours vacation, shall be permitted to request 2 weeks pay in lieu of time off. Represented employees will accrue vacation benefits in accordance with the provisions of their respective Memorandum of Understanding (MOU).

Accumulated unpaid vacation and vested sick leave pay is recorded as an expense and a liability at the time the benefit is earned. Total compensated absences payable was \$3,634,716 at June 30, 2015.

Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with OmniTrans' prior year financial statements, from which this selected financial data was derived.

Federal, State and Local Grants

Federal, state and local governments have made various grants available to OmniTrans for operating assistance and acquisition of capital assets. Grants for operating assistance, the acquisition of equipment or other capital outlay are not formally recognized in the accounts until the grant becomes a valid receivable as a result of OmniTrans complying with appropriate grant requirements. Operating assistance grants are included in non-operating revenues in the year in which the grant is applicable and the related expenses are incurred. Revenues earned under capital grants are recorded as capital contributions.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pass-Through Activities

Revenues associated with grants, where OmniTrans serves as the administering agent, are recorded as either non-operating revenues or capital contributions based on the approved use of the grant. The related expense is recorded as “pass-through to other agencies” in the Statement of Revenues, Expenses, and Changes in Net Position as the expenses do not support the operations of OmniTrans nor provide an asset.

Pension

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the OmniTrans’ California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ 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.

Net Position

Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

Unrestricted net position is the net amount of the assets, deferred outflow of resources, deferred inflow of resources, and liabilities that are not included in the determination of net position component listed above.

Use of Estimates/Reclassifications

The preparation of basic 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 and disclosures at the date of the financial statements and results for the reporting period. Actual results could differ from those estimates. Certain amounts in the prior year have been reclassified to conform to the current year presentation.

New Accounting Pronouncements

Effective in this Fiscal Year

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. OmniTrans has implemented this Statement effective July 1, 2014.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (Continued)

GASB Statement No. 69 – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement did not have an effect on the current financial statements.

GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an Amendment of GASB No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. OmniTrans has implemented this Statement effective July 1, 2014.

Effective in Future Fiscal Years

GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. The objective of the Statement is to address accounting and financial reporting issues related to fair value measurements. The Statement is effective for periods beginning after June 15, 2015. OmniTrans has not determined the effect on the financial statements.

GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The principal objectives of this Statement is to improve the information provided in the general purpose external financial reports of state and local governments about pensions and related assets that are not within the scope of Statement No. 68. The Statement is effective for periods beginning after June 15, 2015. OmniTrans has not determined the effect on the financial statements.

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement is effective for periods beginning after June 15, 2016. OmniTrans has not determined the effect on the financial statements.

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for OPEB. This Statement replaces the requirements of Statements No. 45 and No. 57. The Statement is effective for periods beginning after June 15, 2017. OmniTrans has not determined the effect on the financial statements.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (Continued)

GASB Statement No. 76 – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The Statement is effective for periods beginning after June 15, 2015. OmniTrans has not determined the effect on the financial statements.

GASB Statement No. 77 – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs. The Statement is effective for periods beginning after December 15, 2015. OmniTrans has not determined the effect on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2015 consist of the following:

Cash on hand	\$ 3,700
Deposits with financial institutions	23,602,106
Investments	18,548,528
	<u>\$ 42,154,334</u>

Investments Authorized by the California Government Code or OmniTrans' Investment Policy

The table below identifies the investment types that are authorized by the California Government Code (or OmniTrans' investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or OmniTrans' investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	20%	None
Medium - Term Notes	5 years	30%	None
Local Agency Investment Fund	N/A	None	None
California Asset Management Program (CAMP)	N/A	None	None
California Local Agency Securities System (CLASS)	N/A	None	None

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to 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 market value to changes in market interest rates. The investment policy of OmniTrans provides safety and liquidity guidelines for managing interest rate risk.

Information about the sensitivity of the fair values of OmniTrans' investments to market interest rate fluctuations is provided by the following table that shows the distribution of OmniTrans' investments by maturity:

Investment Type	Remaining Investment Maturities			Fair Value
	12 Months Or Less	1 to 3 Years	3 to 5 Years	
Local Agency Investment Fund	\$ 10,115,352			\$ 10,115,352
Negotiable Certificates of Deposit	1,000,591	\$ 2,253,084	\$ 1,002,375	4,256,050
U.S. Government Sponsored Enterprise Securities:				
FFCB	2,190,110			2,190,110
FNMA			1,987,016	1,987,016
Total Cash Investments	<u>\$ 13,306,053</u>	<u>\$ 2,253,084</u>	<u>\$ 2,989,391</u>	<u>\$ 18,548,528</u>

Disclosures Relating to 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 nationally recognized statistical rating organization. The table below represents the minimum rating required by the California Government Code (where applicable), or OmniTrans' investment policy, and the actual rating as of year-end for each investment type.

Investment Type	Total as of June 30, 2015	Minimum Legal Rating	AA+	Unrated
Local Agency Investment Fund	\$ 10,115,352	(1)		\$ 10,115,352
Negotiable Certificates of Deposit	4,256,050	(1)		4,256,050
U.S. Government Sponsored Enterprise Securities:				
FFCB	2,190,110	(1)	\$ 2,190,110	
FNMA	1,987,016	(1)	1,987,016	
Total	<u>\$ 18,548,528</u>		<u>\$ 4,177,126</u>	<u>\$ 14,371,402</u>

(1) Not Applicable

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of OmniTrans' investment in a single issue. The investment policy of OmniTrans contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2015, the following investments represented 5% or more of OmniTrans' total investments.

Issuer	Total as of June 30, 2015	Percentage of Total Investments
FFCB	\$ 2,190,110	5.20%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, OmniTrans will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and OmniTrans' investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (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 OmniTrans' deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2015, OmniTrans had deposits of \$22,737,994 held in excess of federal depository insurance corporation (FDIC) limits covered by collateralization.

Investment in LAIF

OmniTrans is a voluntary participant in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429.1 through 16429.4 under the oversight of the Treasurer of the State of California. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The fair value of OmniTrans' investment in this pool is reported in the accompanying financial statements at amounts based upon OmniTrans' 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.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 3 – FEDERAL STATE AND LOCAL GRANTS

OmniTrans receives operating and capital assistance from various federal, state and local sources.

Federal Assistance

Under the provision of the Federal Transit Administration (FTA), funds are available to OmniTrans for preventive maintenance, security, and various capital costs.

Transportation Development Act Assistance

Pursuant to provisions of the 1971 Transportation Development Act (TDA), as amended, the California State Legislature enacted the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STAF) to provide operating and capital assistance for public transportation. These funds are received from the County of San Bernardino based on annual claims filed by OmniTrans and approved by the San Bernardino Associated Governments (SANBAG), the regional transportation planning entity.

To be eligible for TDA funds, OmniTrans must maintain a ratio of passenger fares to operating costs of not less than 20.00% for general public transit service and 10.00% for specialized service for the elderly and handicapped. After considering certain cost exemption provisions of the TDA, OmniTrans' ratios for the fiscal year ended June 30, 2015 were 23.69% for general public transit service, and 13.82% for specialized service for the elderly and handicapped.

In accordance with 6634 of the TDA, an operator may not receive TDA funds in an amount that exceeds its actual operating costs. For the fiscal year ended June 30, 2015, OmniTrans recognized revenue for TDA funds in the amount of \$34,926,011.

Measure I

OmniTrans receives Measure I funds for paratransit operating costs. Measure I funds are derived from a locally imposed 0.5% retail sales and use tax on all taxable sales within the County of San Bernardino. The allocation and administration of Measure I is performed by SANBAG.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 3 – FEDERAL STATE AND LOCAL GRANTS (CONTINUED)

Proposition 1B

The Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) Fund is a part of the State of California's Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Bond Act), approved by California voters as Proposition 1B on November 7, 2006. A total of \$19.9 billion was deposited into the PTMISEA fund, \$3.6 billion of which was made available to project sponsors in California for allocation to eligible public transportation projects over a 10-year period. Proposition 1B funds can be used for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or for rolling stock procurement, rehabilitation or replacement. During the fiscal year ended June 30, 2015, Proposition 1B cash receipts and cash disbursements were as follows:

Unspent Proposition 1B funds as of June 30, 2014	\$ 30,367,563
Proposition 1B funds received during the fiscal year ended June 30, 2015	1,736,317
Proposition 1B expenses incurred during the fiscal year ended June 30, 2015	(1,677,037)
Interest revenue earned on unspent Proposition 1B funds during the fiscal year ended June 30, 2015	164,646
Change in fair market value of investments held during the year ended June 30, 2015	52,114
	<u>\$ 30,643,603</u>

The amount of unspent Proposition 1B funds noted above is included in unearned revenue on the Statement of Net Position as of June 30, 2015.

Operating assistance is summarized as follows for the year ended June 30:

Federal Assistance	\$ 10,809,626
LTF	34,926,105
STAF	4,055,126
Measure I	5,300,000
	<u>\$ 55,090,857</u>

Capital contributions for the year ended June 30 were as follows:

Federal Assistance	\$ 27,797,281
LTF	3,216,424
STAF	2,195,416
Measure I	93,022
CalTrans	3,865,318
	<u>\$ 37,167,461</u>

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 4 – LONG-TERM LIABILITIES

Long-term liabilities for the year ended June 30, 2015 are as follows:

	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015	Due Within One Year	Amount Due Beyond One Year
Compensated absences	\$ 3,553,056	\$ 2,237,125	\$ (2,155,465)	\$ 3,634,716	\$ 2,409,511	\$ 1,225,205
Capital leases	268,269		(139,168)	129,101	129,101	-
Claims payable	9,493,032	387,969	(1,996,687)	7,884,314	2,922,897	4,961,417
Net pension liability	19,700,991	-	(9,364,501)	10,336,490	-	10,336,490
Total Long-Term Liabilities	<u>\$ 33,015,348</u>	<u>\$ 2,625,094</u>	<u>\$(13,655,821)</u>	<u>\$ 21,984,621</u>	<u>\$ 5,461,509</u>	<u>\$ 16,523,112</u>

Capital Lease Obligations

In December 2011 OmniTrans entered into a lease financing arrangement for 29 vehicles with Enterprise Fleet Services. The minimum lease payments required during the current five-year term of these agreements are \$665,411. The lease payments have a present value of \$652,369, which approximate the value of the assets, and is the amount capitalized in OmniTrans' capital assets. The outstanding principal balance was \$129,101 as of June 30, 2015.

The future minimum lease obligations as of June 30, 2015 were as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 129,101	\$ 1,392	\$ 130,493
Total	<u>\$ 129,101</u>	<u>\$ 1,392</u>	<u>\$ 130,493</u>

NOTE 5 – CAPITAL ASSETS

	Balance at June 30, 2014	Additions	Retirements	Balance at June 30, 2015
CAPITAL ASSETS, NOT DEPRECIATED:				
Land	\$ 10,522,709			\$ 10,522,709
Construction in progress	161,973,272	\$ 35,682,096	\$ (152,930,095)	44,725,273
Total assets, not depreciated	<u>172,495,981</u>	<u>35,682,096</u>	<u>(152,930,095)</u>	<u>55,247,982</u>
CAPITAL ASSETS, DEPRECIATED:				
Buildings and improvements	44,328,931	136,312,333	(72,081,744)	108,559,520
Operations equipment	107,251,843	12,898,679	(5,161,822)	114,988,700
Furniture and office equipment	35,569,147	4,331,906	(2,542,642)	37,358,411
Total capital assets, depreciated	<u>187,149,921</u>	<u>153,542,918</u>	<u>(79,786,208)</u>	<u>260,906,631</u>
LESS ACCUMULATED DEPRECIATED FOR:				
Buildings and improvements	(25,223,910)	(2,789,048)	31,698	(27,981,260)
Operations equipment	(55,409,833)	(7,836,639)	4,689,102	(58,557,370)
Furniture and office equipment	(33,431,509)	(2,116,724)	2,542,642	(33,005,591)
Total accumulated depreciation	<u>(114,065,252)</u>	<u>(12,742,411)</u>	<u>7,263,442</u>	<u>(119,544,221)</u>
Total capital assets, depreciation, net	<u>73,084,669</u>	<u>140,800,507</u>	<u>(72,522,766)</u>	<u>141,362,410</u>
Capital assets, net	<u>\$ 245,580,650</u>	<u>\$ 176,482,603</u>	<u>\$ (225,452,861)</u>	<u>\$ 196,610,392</u>

Depreciation expense for the year ended June 30, 2015 was \$12,742,411

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 6 – OPERATING LEASES

OmniTrans leases facilities and tires under noncancelable operating leases. Total costs for such leases were \$727,932 during the year ended June 30, 2015. The future minimum lease payments for these leases are as follows:

Year Ending June 30,	Total
2016	\$ 742,747
2017	528,475
2018	174,724
2019	167,029
2020	110,449
Total	<u>\$ 1,723,424</u>

NOTE 7 – RISK MANAGEMENT

OmniTrans is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; and natural disasters for which they carry commercial insurance. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been Incurred But Not Reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The outstanding claims at June 30, 2015 were estimated to be \$7,884,314 and were based on an IBNR study performed in fiscal year 2014-2015. Changes in the fund claims liability amount for the last two fiscal years are as follows:

Year Ending June 30,	Beginning of Year Liability	Provisions of Claims	Claim Payments	End of Year Liability
2014	\$ 13,110,465	\$ (3,486,199)	\$ (131,234)	\$ 9,493,032
2015	9,493,032	387,969	(1,996,687)	7,884,314

OmniTrans is a member of the Association of California Public Transit Operators Joint Powers Insurance Authority (Authority). The Authority is a risk-pooling self-insurance authority, created under provisions of California law in 1987. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

At June 30, 2015, OmniTrans' participation in the self-insurance programs of the Authority is as follows:

- General Liability: OmniTrans is self-insured up to \$1,000,000 per occurrence and has purchased re-insurance and excess insurance coverage.
- Automobile Liability: OmniTrans is self-insured up to \$1,000,000 per occurrence and has purchased re-insurance and excess insurance coverage.
- Public Officials Errors and Omissions: OmniTrans is self-insured up to \$1,000,000 per occurrence and has purchased re-insurance and excess insurance coverage.
- Vehicle Collision and Comprehensive Liability: Insured up to actual cash value of covered vehicles up to \$10,000,000 per occurrence subject to per vehicle deductibles. The Authority has purchased excess insurance coverage.

Separate financial statements of the Authority can be obtained at 1415 L Street, Suite 200, Sacramento, California 95814.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 7 – RISK MANAGEMENT (CONTINUED)

OmniTrans has also purchased additional insurance coverage outlined below:

- Workers Compensation Liability: OmniTrans is self-insured for workers' compensations claims up to \$1,000,000 with a limit of liability of \$5,000,000 and excess coverage up to \$95,000,000.
- Property Liability: OmniTrans is self-insured for property damage up to \$25,000 for Electronic Data Processing Equipment and \$10,000 for all other losses per occurrence, with limit of liability up to \$32,522,360. OmniTrans has also purchased earthquake and flood coverage for damage, for which it is self-insured up to \$25,000 for an earthquake and \$50,000 for a flood per occurrence, with a limit of liability of \$10,000,000 and excess coverage of \$10,000,000.
- Crime Liability: OmniTrans is self-insured for employee dishonesty and theft up to \$1,000 per occurrence, with a limit of liability up to \$50,000.
- Pollution Remediation Liability: OmniTrans is self-insured for pollution remediation claims up to \$50,000 per occurrence and \$150,000 in aggregate, with a limit of liability of \$5,000,000 per occurrence and \$10,000,000 in aggregate.
- Employment Related Practices Liability: OmniTrans is self-insured for employment related practices liability claims up to \$50,000 with a limit of liability of \$1,000,000

For the past three fiscal years, none of the above programs of protections has had settlements or judgments that exceeded pooled or insured coverage.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified employees are eligible to participate in the OmniTrans' Miscellaneous Employee Pension Plan, an agent multiple-employer public employee defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). CalPERS acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the plan are established, and may be amended, by State statute and OmniTrans resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provide 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 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2015 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of annual salary	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7%	7%
Required employer contribution rates	11.070%	10.618%

For the year ended June 30, 2015, OmniTrans has paid the employer's and employees' shares of the contributions. The contributions recognized, were as follows:

	Miscellaneous
Contributions - employer	\$ 3,093,598
Contributions - employee	1,963,698

Employees Covered

At June 30, 2015, the following employees were covered by the benefit terms for the Plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	292
Inactive employees entitled to but not yet receiving benefits	371
Active employees	628
Total	1291

Contributions

Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for the Plan is determined annual 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. OmniTrans is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability

OmniTrans' net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

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

(2) Net of pension plan investment expenses, including inflation

(3) Derived using CalPERS Membership Data for all Funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period of 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as the methodology changes.

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) are 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. 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.

Asset Class	Target Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for the Plan follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2014	<u>\$ 131,169,067</u>	<u>\$ 111,468,076</u>	<u>\$ 19,700,991</u>
Changes in the year:			
Service Cost	\$ 5,032,912		\$ 5,032,912
Interest on the total pension liability	9,875,147		9,875,147
Contribution - employer		\$ 2,857,424	(2,857,424)
Contribution - employee		1,892,148	(1,892,148)
Net investment income		19,522,988	(19,522,988)
Benefit payments, including refunds of employee contributions	(4,033,818)	(4,033,818)	
Net changes	<u>10,874,241</u>	<u>20,238,742</u>	<u>(9,364,501)</u>
Balance at June 30, 2015	<u>\$ 142,043,308</u>	<u>\$ 131,706,818</u>	<u>\$ 10,336,490</u>

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

The following presents the net pension liability of OmniTrans for the Plan, calculated using the discount rate for the Plan, as well as what OmniTrans' 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:

	Miscellaneous
1% Decrease	6.50%
Net Pension Liability	\$ 30,041,991
Current Discount Rate	7.50%
Net Pension Liability	\$ 10,336,490
1% Increase	8.50%
Net Pension Liability	\$ (6,012,267)

Pension Plan Fiduciary Net Position

Detailed information about OmniTrans' pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 8 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, OmniTrans recognized pension expense of \$2,643,167. At June 30, 2015, OmniTrans reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 5,057,296	
Net differences between projected and actual earnings on plan investments		\$ 8,921,206
Total	<u>\$ 5,057,296</u>	<u>\$ 8,921,206</u>

The amount of \$5,057,296 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 during the next measurement period. Amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,	
2016	\$ 2,230,302
2017	2,230,302
2018	2,230,301
2019	2,230,301
Total	<u>\$ 8,921,206</u>

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Litigation

OmniTrans is subject to lawsuits and claims which arise out of the normal course of business. In the opinion of management, based upon the opinion of legal counsel, the disposition of such actions of which it is aware will not have a material effect on the financial position, results of operations or liquidity of OmniTrans.

Contingencies

OmniTrans has received federal and state funds for specific purposes that are subject to review and audit by grantor agencies. Although, such audits could generate expenditure disallowances under the terms of the grants, in the opinion of management, any additional required reimbursement will not have a material effect on the financial position, results of operations or liquidity of OmniTrans.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 9 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments

Commitments consist primarily of additions to operations equipment and building improvements. Significant commitments are as follows:

Project	Amount Authorized	Cumulative Expenses June 30, 2015	Unexpended Commitments
Facilities Future Expansion and Remodel	\$ 2,090,976	\$ 2,085,337	\$ 5,639
Computer Software and Hardware	1,456,105	1,449,322	6,783
E Street Bus Rapid Transit - Vehicle Maintenance Facility	17,907,617	17,417,055	490,562
San Bernardino Transit Center	23,517,283	21,952,437	1,564,846
Paratransit Buses	1,177,862	1,176,127	1,735
Vehicle & Shop Equipment	897,420	644,995	252,425
Total major components of construction in progress	<u>\$ 47,047,263</u>	<u>\$ 44,725,273</u>	<u>\$ 2,321,990</u>

NOTE 10 – PASS-THROUGH GRANTS

Pass-through activity for the year ended June 30, 2015 is summarized as follows:

Central City Lutheran	\$ 9,458
City of Fontana	15,143
City of Yucaipa	359,073
OPARC	154,881
Inland Empire United Way	173,990
LLUMC Adult Day Health Services	40,667
Pomona Valley Community Services	92,498
Pomona Valley Workshop	171,878
Valley Transportation Services	250,431
Victor Valley	29,912
	<u>\$ 1,297,931</u>

NOTE 11 – DONATION TO OTHER AGENCY

In accordance with the Master Cooperative Agreement Between and Among OmniTrans, City of San Bernardino, and the Successor Agency of the City of San Bernardino for the "E" Street Corridor sbX Bus Rapid Transit Project, the City will take ownership of the exclusive sbX BRT lanes to be designated for and exclusively used by sbX BRT buses and be responsible for their maintenance. Through the end of Fiscal Year 2015, total capitalizable assets associated with the sbX BRT lanes in areas considered as public Right of Way in the City of San Bernardino transferred to the City is valued at \$72,050,046.

OMNITRANS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

NOTE 12 – RESTATEMENT

A prior period adjustment of \$14,951,419 was made to decrease the beginning net position. The adjustment was made to record beginning net pension liability and deferred outflows of resources for contributions subsequent to the measurement date.

The restatement of beginning net position is summarized as follows:

	June 30, 2014 Previously Stated	Restatement	July 1, 2014 Restated
Net Pension Liability		\$ (19,700,991)	\$ (19,700,991)
Deferred Outflows		4,749,572	4,749,572
Net Position	<u>\$ 254,691,559</u>	<u>\$ (14,951,419)</u>	<u>\$ 239,740,140</u>

NOTE 13 – NET POSITION

The following is a detailed breakdown of net position.

Capital assets, net of accumulated depreciation	\$ 196,610,392
Less: Debt offsetting capital assets	<u>(129,101)</u>
Net investment in capital assets	<u>196,481,291</u>
Unrestricted net position	<u>(5,263,020)</u>
Total net position	<u>\$ 191,218,271</u>

This page is intentionally left blank.



CONNECTING OUR COMMUNITY



CONNECTING OUR COMMUNITY



OMNITRANS

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 5,032,912
Interest on the total pension liability	9,875,147
Differences between actual and expected experience	-
Changes in assumptions	-
Changes in benefit terms	-
Benefit payments, including refunds of employee contributions	(4,033,818)
Net change in total pension liability	<u>10,874,241</u>
Total pension liability - beginning	<u>131,169,067</u>
Total pension liability - ending (a)	<u>\$ 142,043,308</u>
 Plan fiduciary net position	
Contributions - employer	\$ 2,857,424
Contributions - employee	1,892,148
Net investment income	19,522,988
Benefit payments	(4,033,818)
Net change in plan fiduciary net position	<u>20,238,742</u>
Plan fiduciary net position - beginning	<u>111,468,076</u>
Plan fiduciary net position - ending (b)	<u>\$ 131,706,818</u>
 Plan net pension liability - ending (a)-(b)	<u>\$ 10,336,490</u>
 Plan fiduciary net position as a percentage of the total pension liability	92.72%
 Covered - employee payroll	28,280,626
 Plan net pension liability as percentage of covered employee payroll	36.55%

Notes to Schedule:

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

OMNITRANS

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Actuarially determined contribution	\$ 3,283,410
Contribution in relation to the actuarially determined contributions	3,283,410
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 29,803,123
Contribution as a percentage of covered employee payroll	11.02%

Notes to Schedule

Valuation date June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 Years as of the valuation date
Asset valuation method	15-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
	7.50% net of pension plan
	investment and administrative
Investment rate of return	expenses; includes inflation
Retirement age	57 years
	Derived using CalPERS'
Mortality	membership data for all funds



OmniTrans

Connecting Our Community.

CONNECTING OUR COMMUNITY

STATISTICAL SECTION

This section of OmniTrans' Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about OmniTrans' overall financial health. This information has not been audited by the independent auditors.

	<u>Page</u>
Financial Trends	41
These schedules contain trend information to help the reader understand how the OmniTrans financial performance and well-being has changed over time.	
Revenue Capacity	43
These schedules contain information to help the reader assess OmniTrans' most significant local revenue source, passenger fares.	
The Economy and Economic Outlook	48
These schedules offer demographic and economic indicator to help the reader understand the environment within OmniTrans' financial activities take place.	
Operating Information	49
These schedules contain service and infrastructure data to help the reader understand how the information in OmniTrans' financial report relates to the services OmniTrans provides and the activities it performs.	

Source: Unless otherwise noted, the information in these schedules derived from the Comprehensive Annual Financial Reports for the relevant years.

NET POSITION BY COMPONENT

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net investment in capital assets	\$ 79,318,662	84,731,356	84,317,308	94,909,096	114,540,764	119,480,534	136,703,207	206,982,298	245,580,650	196,610,392
Less: Debt offsetting capital assets	(57,044)	(404,372)	(364,370)	(241,226)	(251,129)	(114,308)	(590,371)	(425,391)	(288,269)	(129,101)
Total invested in capital assets, net of related debt	79,261,618	84,326,984	83,952,938	94,667,870	114,289,635	119,366,226	136,112,836	206,566,907	245,312,381	196,481,291
Unrestricted net assets	28,256,748	29,683,079	33,300,903	33,883,455	29,320,746	14,717,794	8,548,071	8,547,756	9,379,178	(5,263,020)
Total net position	\$ 107,518,366	114,010,063	117,253,841	128,551,325	143,610,381	134,084,020	144,660,907	215,114,663	254,691,559	191,218,271

The decrease in net position is mainly attributed to donation of capitalized assets to the City of San Bernardino. The capitalized assets were cost associated with construction of the sbX Bus Rapid Transit (BRT) project in areas that are within the public Right of Way.

Source: Finance Department

CHANGES IN NET POSITION

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Operating Revenues:										
Passenger fares	\$ 12,202,126	12,761,463	13,511,536	13,779,684	14,242,013	14,538,747	14,536,931	14,317,987	14,368,317	15,015,499
Advertising revenues	677,943	824,253	948,051	967,628	849,585	909,176	805,904	481,994	485,327	532,322
Other transportation revenues	111,577	37,862	47,307	42,708	39,752	41,802	39,819	39,819	41,978	54,440
Total revenues	\$ 12,991,646	13,623,578	14,506,894	14,790,020	15,131,350	15,489,725	15,382,654	14,839,800	14,895,622	15,602,261
Operating Expenses:										
Depreciation and amortization	8,275,341	8,323,081	8,861,306	9,255,553	10,999,458	12,772,455	17,070,294	16,678,098	14,899,383	12,742,411
Other operating expenses	64,867,497	66,481,860	67,756,893	67,770,003	67,501,900	66,529,837	69,206,132	70,539,078	65,839,285	71,365,710
Total expenses:	\$ 73,142,838	74,804,941	76,618,199	77,025,556	78,501,358	79,302,292	86,276,426	87,217,176	80,738,668	84,108,121
Non-operating Revenues/(Expenses):										
Federal & local operating grants	54,858,935	52,112,668	55,587,601	52,983,639	48,085,804	52,675,797	47,875,811	54,087,458	50,785,745	44,098,417
Interest income	995,770	1,714,629	1,656,529	758,950	243,098	74,302	52,727	24,915	44,311	43,486
Interest expense	(2,218)	(5,762)	(11,029)	(9,149)	(6,835)	(6,590)	(3,980)	(8,349)	(4,580)	(2,426)
Pass-through to other agencies	(800,137)	(729,007)	(1,254,751)	(2,779,299)	(3,031,642)	(18,754,320)	(620,108)	(2,254,293)	(4,459,471)	(1,297,931)
Donation to other agency										(72,050,046)
Other non-operating revenues (expenses)	55,196	(305,583)	(258,422)	(24,710)	(299,568)	(719,668)	(246,487)	1,409,847	118,187	1,032,590
Total non-operating revenues	\$ 55,107,546	52,786,945	55,719,928	50,929,431	44,990,857	33,269,521	47,057,963	53,259,578	46,484,192	(28,175,910)
Income before capital contribution	(5,043,646)	(8,394,418)	(6,391,377)	(11,306,105)	(18,379,151)	(30,543,046)	(23,836,809)	(19,117,798)	(19,358,854)	(96,681,770)
Capital Contributions										
Capital assistance	\$ 7,274,580	14,823,890	9,635,155	22,603,589	33,438,207	21,016,685	34,412,696	89,571,554	58,935,750	48,159,901
Contributions from other agencies	0	262,225	0	0	0	0	0	0	0	0
Total capital contributions	\$ 7,274,580	14,886,115	9,635,155	22,603,589	33,438,207	21,016,685	34,412,696	89,571,554	58,935,750	48,159,901
Change in net position	\$ 2,230,934	6,491,697	3,243,778	11,297,484	15,059,056	(9,526,361)	10,576,887	70,453,756	39,576,896	(48,521,869)
Net position, beginning of year	\$ 105,287,432	107,518,366	114,010,063	117,253,841	128,551,325	143,610,381	134,084,020	144,660,907	215,114,663	254,691,559
Prior Period Adjustment (Note 12)										(14,951,419)
Net Position, Beginning Of Year, As Restated										239,740,140
Net position, end of year	\$ 107,518,366	114,010,063	117,253,841	128,551,325	143,610,381	134,084,020	144,660,907	215,114,663	254,691,559	191,218,271

Notes: The FY2005 beginning balance in Change in net position includes an adjustment for workers' compensation reserve that was previously overstated. In addition, the restatement includes certain revenues and expenses that were not recognized in prior period. Pass-through to other agencies for 2011 include return of \$16M in LTF funds to SANBAG for future allocation.

Source: Finance Department

REVENUE SOURCE

Passenger Fares - Individuals

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
F/R Full Fares - Cash	\$3,885,180	\$4,321,978	\$4,571,811	\$4,510,511	\$4,715,996	\$4,756,220	\$4,564,607	\$4,512,614	\$4,399,894	\$4,414,989
F/R Senior/Disable Fare - Cash	179,632	210,954	256,870	263,959	297,986	334,730	360,603	383,045	447,239	557,592
F/R 1-Day & 7 Day Full Fare - Pass	3,910,662	4,139,709	4,015,846	3,925,863	3,626,533	3,540,688	3,478,828	3,386,969	3,534,008	3,577,714
F/R 1-Day & 7 Day S/D Fare - Pass	538,213	562,418	613,947	606,615	666,085	716,572	712,770	770,747	813,797	893,643
F/R 31-Day Full Fare - Pass (less: discount)	1,004,008	1,069,585	1,197,152	1,299,310	1,423,947	1,354,296	1,125,569	1,083,657	1,419,430	1,574,959
F/R 31-Day Youth Fare-Pass	833,925	866,516	837,689	1,010,097	1,239,874	1,247,839	909,534	1,014,034	524,795	579,142
F/R 31-Day Senior Fare - Pass	84,538	82,373	86,571	93,902	0	0	0	0	0	0
F/R 31-Day Disability Fare - Pass	362,423	325,432	352,027	367,110	479,601 *	542,878	571,416	591,712	560,936	622,658
University Passes	0	0	0	0	0	0	736,134 **	531,763	755,568	753,215
VET - Cash	0	0	0	0	0	0	0	0	0	13,154
VET 31-Day Pass	0	0	0	0	0	0	0	0	0	41,824
VET 7 Day Pass	0	0	0	0	0	0	0	0	0	12,490
VET 1 Day Pass	0	0	0	0	0	0	0	0	0	4,394
MetroLink Transfer	920	37,819	43,237	66,712	49,419	51,325	100,098	54,326	43,628	53,169
F/R 7-Day Youth Pass		6,500	227,621	347,973	417,670	446,094	340,581	356,291	214,219	208,442
Access Base Fare - Cash	154,518	130,641	150,814	138,464	158,044	166,246	144,141	142,900	153,870	193,297
Access Base Fare (3 zones) - Ticket	889,053	918,970	1,032,973	991,817	1,023,493	1,183,363	1,248,892	1,275,349	1,291,015	1,452,471
Access Additional (1 zone) - Ticket	1,553	3,660	5,175	3,916	4,059	12,989	17,071	10,927	17,596	14,181
Access Monthly Subscription Zone - Pass	4,315	4,055	6,020	21,510	16,075	13,340	12,905	8,410	725	0
Total Passenger Fares	\$11,848,938	\$12,680,609	\$13,397,751	\$13,647,749	\$14,118,782	\$14,366,590	\$14,323,149	\$14,122,744	\$14,176,720	\$14,967,334
Special Transit Fares - Group										
F/R 1 - Trip Full Fare - Ticket	0	25	378	54,675	41,475	57,705	67,330	42,516	21,644	43,880
OmniLink (Yucaipa) - Cash	37,802	40,075	48,104	46,238	50,305	26,859	20,777	19,396	18,317	2,821
OmniLink (Chino Hills) - Cash	12,688	12,829	22,388	22,368	20,570	10,017	8,914	7,629	8,730	1,329
OmniLink S/D Fare - Ticket	2,583	2,525	5,821	5,495	5,994	5,535	4,199	1,701	851	81
OmniLink Full Fare - Ticket	40,250	25,400	35,960	297	459	0	54	0	0	0
OmniLink Youth Fare - Ticket			1,134	2,862	4,428	2,934	2,304	2,340	2,070	54
OmniGo - Fares						69,107	110,204	121,661	139,985	0
Total Special Transit Fares	\$93,322	\$80,854	\$113,785	\$131,935	\$123,231	\$172,157	\$213,782	\$195,243	\$191,597	\$48,165
Total Fares	\$11,942,260	\$12,761,463	\$13,511,536	\$13,779,684	\$14,242,013	\$14,538,747	\$14,536,931	\$14,317,987	\$14,368,317	\$15,015,499

* F/R 31-Day Senior and Disable Passes were combined into a single pass.

** Implemented GoSmart Student Pass Program.

Source: Finance Department

DEMOGRAPHICS AND STATISTICS SAN BERNARDINO COUNTY

Fiscal Year	(A) Population	(B) Personal Income (000)	(B / A) Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2006	1,987,505	53,928,618	27,134	30.4	427,631	4.8%
2007	2,007,800	56,940,673	28,360	30.3	427,583	5.6%
2008	2,044,895	59,800,525	29,244	30.3	428,142	8.0%
2009	2,045,632	60,875,315	29,759	30.3	420,325	13.6%
2010	2,048,217	60,800,000	29,684	30.3	415,549	14.3%
2011	2,053,348	63,600,000	30,974	30.9	417,202	14.3%
2012	2,065,000	65,200,000	31,574	31.2	417,000	12.2%
2013	2,080,914	68,100,000	32,726	31.7	412,155	10.4%
2014	2,088,371	68,387,465	32,747	32.4	411,583	7.4%
2015	2,112,619	70,261,483	33,258	31.0	410,696	6.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics; Bureau of Economic Analysis; California Employment Development Department; California Basic Educational Data Systems (CBEDS); San Bernardino County Economic Forecast; California Department of Education.

PRINCIPAL EMPLOYERS OF SAN BERNARDINO COUNTY

Employer	Employees	% of Total Employment	Ranking									
			2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Loma Linda University*	10,000 - 15,000	1.8%	1	1	3	3	6	6	3	3	8	4
U.S. Marine Corps Air Ground Combat Center	10,000 - 15,000	1.7%	2	2	4	4	5	5	2	4	4	3
County of San Bernardino, San Bernardino	10,000 - 15,000	1.6%	3	3	1	1	3	3	1	1	2	1
Stater Brothers Markets, San Bernardino	10,000 - 15,000	1.4%	4	4	6	6	1	1	5	6	1	2
Kaiser Permanente	10,000 - 15,000	1.3%	5	5	9	9	9	9	8	9	7	6
Wal-Mart Stores Inc.	5,000 - 10,000	1.1%	6	6	8	8	8	8	7	8	-	9
U.S. Army, Fort Irwin & National Training Center	5,000 - 10,000	1.0%	7	7	2	2	4	4	4	2	3	8
Ontario International Airport, Ontario	5,000 - 10,000	1.0%	8	8	7	7	7	7	-	7	6	5
San Bernardino City Unified School District	5,000 - 10,000	0.8%	9	9	5	5	-	-	6	5	5	7
United Parcel Service (UPS)	5,000 - 10,000	0.5%	10	10	10	10	10	10	9	10	-	10

* Includes: Loma Linda University, Loma Linda Medical Center, and VA Loma Linda Healthcare Systems

Source: U.S. Census Bureau, Inland SoCal, Economy.com

Riverside San Bernardino Ontario MSA
(Riverside and San Bernardino Counties)
Industry Employment & Labor Force
Benchmark

TITLE	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15
Civilian Labor Force	1,746,000	1,767,400	1,780,400	1,777,600	1,798,600	1,795,300	1,811,900	1,819,100	1,807,600	1,940,000
Civilian Employment	1,656,700	1,664,200	1,637,000	1,537,300	1,541,000	1,542,400	1,582,100	1,625,400	1,655,500	1,813,700
Civilian Unemployment	89,300	103,200	143,400	240,300	257,600	252,900	229,800	193,700	152,100	126,300
Civilian Unemployment Rate	5.1%	5.8%	8.1%	13.5%	14.3%	14.1%	12.7%	10.7%	8.4%	6.5%
Total, All Industries	1,315,100	1,316,200	1,274,500	1,187,900	1,172,600	1,163,600	1,198,400	1,241,900	1,277,700	1,345,300
Total Farm	22,500	22,800	21,900	20,900	21,100	19,100	20,300	18,700	18,900	17,500
Total Nonfarm	1,292,600	1,293,400	1,252,600	1,167,000	1,151,400	1,144,500	1,178,100	1,223,200	1,258,800	1,327,800
Total Private	1,065,300	1,064,400	1,018,800	927,700	909,800	913,700	952,000	995,700	1,028,700	1,094,900
Goods Producing	259,400	237,800	203,500	159,900	147,900	146,300	152,100	156,800	160,100	176,700
Mining and Logging	1,400	1,300	1,200	1,200	1,000	1,000	1,200	1,200	1,200	1,200
Construction	132,600	116,600	93,800	69,800	61,300	59,500	63,500	68,600	71,800	81,500
Construction of Buildings	22,500	20,300	16,300	12,000	10,600	10,700	10,800	11,400	12,400	13,700
Heavy & Civil Engineering Construction	12,500	13,000	11,700	9,100	8,200	8,900	10,400	9,900	9,700	10,400
Specialty Trade Contractors	97,600	83,300	65,800	48,700	42,500	39,800	42,300	47,300	49,700	57,400
Building Foundation & Exterior Contractors	37,200	29,200	20,800	13,600	12,400	10,800	11,700	12,500	13,700	16,700
Building Equipment Contractors	22,900	21,800	19,200	15,800	13,700	13,400	13,800	16,000	17,400	18,700
Building Finishing Contractors	25,900	21,600	16,500	12,400	10,400	9,900	10,500	12,200	13,100	14,500
Manufacturing	125,400	119,900	108,500	88,900	85,500	85,800	87,400	87,000	87,100	94,000
Durable Goods	88,600	83,100	73,700	58,200	55,500	56,400	57,300	57,000	57,200	62,000
Fabricated Metal Product Manufacturing	16,800	16,100	14,900	11,900	11,500	12,200	12,700	13,000	13,400	14,900
Nondurable Goods	36,800	36,800	34,800	30,700	30,000	29,400	30,100	30,000	29,900	32,000
Food Mfg & Beverage & Tobacco Product Mfg	10,800	11,100	10,500	9,700	9,800	9,500	10,000	10,300	10,600	10,700
Service Providing	1,033,200	1,055,600	1,049,100	1,007,100	1,003,600	998,200	1,026,000	1,066,400	1,098,700	1,151,100
Private Service Providing	805,900	826,600	815,300	767,800	761,900	767,400	799,900	838,900	868,600	918,200
Trade, Transportation & Utilities	290,600	299,000	293,300	270,000	269,000	273,000	285,200	296,100	305,700	321,800
Wholesale Trade	54,200	56,900	55,000	48,900	48,900	49,000	52,300	55,900	57,700	62,000
Merchant Wholesalers, Durable Goods	34,100	34,500	33,000	29,100	29,200	29,200	30,800	33,100	34,300	36,000
Merchant Wholesalers, Nondurable Goods	14,500	16,500	16,600	15,400	15,500	15,500	17,300	18,000	18,300	21,500
Retail Trade	171,000	173,300	168,100	154,100	153,900	155,600	159,300	162,800	167,100	167,500
Motor Vehicle & Parts Dealer	25,900	25,300	23,200	18,600	18,700	19,600	20,600	21,500	22,500	23,400
Automotive Parts, Accessories & Tire Stores	6,800	6,400	6,300	6,000	6,400	6,500	6,800	6,900	7,000	7,200
Building Material & Garden Equipment Stores	16,200	15,400	13,900	12,800	12,500	12,400	13,000	13,900	14,600	14,300
Food & Beverage Stores	31,800	33,700	33,300	32,900	32,700	30,700	30,700	30,900	31,200	32,400
Health & Personal Care Stores	8,300	8,900	9,400	9,000	9,100	9,300	9,600	9,900	10,000	10,100
Clothing & Clothing Accessories Stores	14,500	16,100	16,200	14,400	15,600	17,100	17,600	17,700	17,700	18,000
Clothing Stores	11,000	12,400	12,600	11,200	12,300	13,400	13,700	13,500	13,500	13,600
General Merchandise Stores	37,800	37,700	37,100	36,000	35,400	34,900	35,400	36,400	36,200	38,100
Transportation, Warehousing & Utilities	65,400	68,800	70,200	67,100	66,200	68,400	73,600	77,400	80,900	92,300
Utilities	5,600	5,700	5,900	5,800	5,800	5,800	5,800	5,600	5,500	5,500
Transportation & Warehousing	59,800	63,100	64,300	61,300	60,400	62,500	67,800	71,800	75,400	86,800
Truck Transportation	23,100	23,700	22,900	21,400	20,200	21,700	22,400	23,200	23,700	25,900
General Freight Trucking	16,100	16,800	16,800	16,200	15,500	16,400	16,900	17,600	18,200	19,900
Couriers & Messengers	8,200	7,900	7,900	7,600	7,000	7,000	7,000	7,100	6,800	9,600
Warehousing & Storage	14,100	16,100	16,900	17,200	19,300	22,100	24,400	25,900	29,400	36,000
Information	15,400	15,500	14,800	14,300	14,300	12,200	11,600	11,400	11,600	11,100
Publishing Industries (except Internet)	3,400	3,200	3,000	2,400	1,900	1,800	1,700	1,600	1,600	1,600
Telecommunications	6,000	5,900	5,800	6,300	6,800	5,700	5,400	5,500	5,900	5,500
Financial Activities	52,100	50,200	46,500	42,200	40,900	39,900	40,800	42,200	42,300	44,500
Finance & Insurance	31,700	30,500	27,500	25,900	25,400	25,300	26,000	26,500	26,100	27,500
Credit Intermediation & Related Activities	19,000	18,200	16,500	15,300	14,900	14,900	15,000	14,900	14,400	15,000
Depository Credit Intermediation	10,400	11,000	10,800	10,100	10,100	9,900	10,000	9,600	9,500	8,900
Nondepository Credit Intermediation	6,800	5,500	4,400	4,000	3,600	4,100	3,900	3,900	3,800	4,200
Insurance Carriers & Related	10,600	10,300	9,100	8,900	8,800	9,000	9,500	10,000	10,100	10,800
Insurance Carriers	5,500	5,100	4,200	4,100	4,100	4,100	4,500	4,900	4,800	4,800
Real Estate & Rental & Leasing	20,400	19,700	19,000	16,300	15,500	14,600	14,800	15,700	16,200	17,000
Real Estate	13,700	13,000	12,000	10,500	10,400	10,100	10,700	11,300	11,900	12,300
Professional & Business Services	141,800	145,400	138,700	124,500	122,900	123,400	128,000	131,200	140,500	149,600
Professional, Scientific & Technical Services	39,300	40,300	39,800	36,700	34,100	34,300	36,800	36,800	39,600	43,600
Management of Companies & Enterprises	10,800	9,700	9,800	9,000	8,700	8,600	8,400	8,900	8,700	9,100
Administrative & Support & Waste Services	91,700	95,400	89,100	78,800	80,200	80,400	82,800	85,500	92,200	96,900
Administrative & Support Services	88,900	92,600	86,200	76,200	77,500	77,400	79,400	81,800	88,600	92,900
Employment Services	49,600	53,100	47,000	36,300	37,200	36,400	37,100	37,500	40,900	43,200
Investigation & Security Services	8,000	8,000	8,000	9,600	9,900	10,800	11,100	11,800	12,500	13,200
Services to Buildings & Dwellings	19,100	18,500	17,300	16,400	16,100	16,200	17,000	18,100	18,700	18,500
Educational & Health Services	136,200	140,700	148,500	155,100	152,800	155,800	164,400	181,300	187,900	195,800
Educational Services	13,700	14,300	15,100	15,600	14,900	14,900	15,200	16,800	17,100	19,100
Colleges, Universities & Professional Schools	4,600	4,600	4,900	5,600	5,400	5,500	5,600	5,600	5,600	6,000
Health Care & Social Assistance	122,500	126,400	133,400	139,500	137,900	140,900	149,200	164,500	170,800	176,700
Ambulatory Health Care Services	46,500	46,800	49,000	50,300	51,200	53,100	57,200	58,700	60,500	63,800
Offices of Physicians	21,700	20,400	21,900	23,000	23,200	24,300	26,500	27,200	28,400	30,500
Hospitals	28,800	30,100	31,700	32,600	32,300	34,100	35,000	35,700	35,700	36,200
Nursing & Residential Care Facilities	19,400	20,600	20,700	20,300	20,400	21,300	22,300	23,000	23,600	25,400
Leisure & Hospitality	128,400	133,800	131,300	124,100	122,900	123,600	129,100	135,500	141,200	151,400
Arts, Entertainment & Recreation	15,600	16,700	16,100	14,800	14,900	14,300	14,700	15,900	15,300	17,500
Accommodation & Food Services	112,800	117,100	115,200	109,300	108,000	109,300	114,400	119,600	125,900	133,900
Accommodation	18,200	17,400	16,300	14,600	13,600	13,900	14,300	14,500	14,400	15,700
Food Services & Drinking Places	94,600	99,700	98,900	94,700	94,400	95,400	100,100	105,100	111,500	118,200
Full-Service Restaurants	40,300	41,900	40,900	38,900	39,300	40,100	42,600	44,300	44,100	47,500
Limited-Service Eating Places	51,300	54,300	54,300	52,500	51,700	51,800	53,900	57,200	61,300	65,100
Other Services	41,400	42,000	42,200	37,500	39,200	39,400	40,800	41,200	39,400	44,000
Repair & Maintenance	16,400	15,900	15,400	13,000	12,900	13,100	13,800	14,700	14,600	15,900

Personal & Laundry Services	9,600	10,300	10,400	9,600	9,800	9,700	10,500	10,600	10,400	11,500
Government	227,300	229,000	233,800	239,300	241,700	230,800	226,100	227,500	230,100	232,900
Federal Government	19,300	19,500	19,700	20,300	25,100	21,400	20,500	20,200	20,400	20,400
Department of Defense	5,700	5,600	5,800	6,100	6,300	6,400	5,900	5,800	5,800	5,800
Federal Government excluding Department of Defense	13,600	13,900	13,900	14,200	18,700	15,000	14,600	14,400	14,600	14,600
State & Local Government	208,000	209,500	214,100	219,100	216,600	209,400	205,600	207,300	209,700	212,500
State Government	27,900	29,300	30,500	30,800	29,900	30,100	28,900	28,400	28,800	29,200
State Government Education	10,300	10,700	11,100	11,200	10,900	11,600	11,200	11,400	11,800	12,100
State Government Excluding Education	17,600	18,600	19,400	19,600	19,000	18,500	17,700	17,000	17,000	17,100
Local Government	180,100	180,200	183,600	188,300	186,700	179,300	176,700	178,900	180,900	183,300
Local Government Education	99,900	97,100	99,700	105,800	107,100	103,000	102,400	105,400	107,600	109,400
Local Government Excluding Education	80,200	83,100	83,900	82,500	79,600	76,300	74,300	73,500	73,300	73,900
County	36,000	37,400	37,700	37,500	36,400	35,200	34,200	33,300	32,800	32,400
City	16,200	17,300	17,900	17,700	16,600	16,200	15,400	15,000	15,400	15,100
Special Districts plus Indian Tribes	28,000	28,400	28,300	27,300	26,600	24,900	24,700	25,200	25,100	26,400

Source: State of California Employment Development Department ([website CA.gov](http://www.edd.ca.gov))

THE ECONOMY AND ECONOMIC OUTLOOK

The Inland Empire (IE), comprised of San Bernardino and Riverside Counties, is the fastest growing metropolitan statistical area (MSA) in California. Employment has recovered to pre-recession levels, but output has not. Job growth is the second in the Inland Empire is the second highest in the state, if taking in considerations workers who commute out of the region.

The high value generating sectors, manufacturing and construction, have been replaced by lower-paying sectors, health and education services and leisure and hospitality. The Inland Empire's modestly educated labor force and lower costs for homes and industrial facilities have historically caused its moderate paying blue collar firms to be among its fastest growing sectors.

The five (5) sectors powering the Inland Empire's economic base are 1) logistics, 2) construction, 3) health care, 4) manufacturing, and 5) professional, engineering, scientific and managerial. Every sector in the Inland Empire has added jobs since the recession in 2008. In general measures of employment, all jobs that have been lost, have been recovered in terms of numbers. However, the Inland Empire has still not recovered the level of gross domestic product output it had at the peak of its economic activity in 2006.

The Inland Empire is projected to pick up 44,100 jobs next year, giving opportunities to those among our unemployed who have the education and skills to fill them. Educational attainment is still the greatest challenge, by far, for the region's workforce. The higher-paying jobs that the Inland Empire is creating are in professional and business service and that trend continues from a year ago.

Of course, it's not all sunshine and lollipops in the Inland Empire. One reason the Inland Empire's economy is growing faster than others is that it has had a deeper hole to climb out of. The two-county region was hit so hard by the Great Recession that there's pretty much been nowhere to go but up.

Number of Employees

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Administration	4	4	5	5	5	5	5	5	3	4
Operation	504	494	504	474	473	445	438	443	450	468
Maintenance	116	117	118	118	111	99	102	101	100	102
Information Technology	6	7	10	10	10	6	6	5	5	8
Marketing	24	22	23	23	24	23	23	25	24	29 **
Planning	7	7	17 *	15	16	17	19	18	15	0
Human Resources	10	10	11	11	11	9	9	9	9	9
Safety & Security	2	2	4	4	4	4	4	3	3	3
Procurement	22	19	21	21	21	17	19	18	19	18
Finance	15	17	16	16	12	12	12	11	11	12
Integrated Project Mgmt.										
Oversight (IPMO)										4 ***
Total	<u>710</u>	<u>699</u>	<u>729</u>	<u>697</u>	<u>687</u>	<u>637</u>	<u>637</u>	<u>638</u>	<u>639</u>	<u>653</u>

* Revised in 2008 to include Integrated Project Management Oversight (IPMO) Employees with the Planning Department.

** Re-organization combined the Marketing Department and Planning Department.

*** Re-organization separated the Project Management Oversight (IPMO) Employees from the Planning Department.

Source: Human Resources Department

OPERATING EXPENSES BY CATEGORY

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Personnel	\$24,297,509	\$25,198,119	\$25,639,106	\$26,704,109	\$26,628,484	\$24,869,713	\$25,280,131	\$25,718,114	\$25,505,890	\$26,313,115
Materials & Supplies	10,732,723	10,911,136	10,053,655	9,062,296	8,831,959	7,743,557	8,479,014	8,396,813	8,533,634	8,494,603
Casualty & Liability	3,704,840	2,206,571	4,981,889	4,448,557	4,233,360	4,674,142	5,100,830	6,525,076	1,146,301	2,851,520
Purchased Transportation	7,404,173	6,241,231	6,336,702	6,719,510	7,114,073	8,831,959	8,882,227	9,084,344	9,075,431	9,261,048
Depreciation & Other	27,003,593	30,247,884	29,606,847	30,091,084	31,693,482	33,182,921	38,534,224	37,492,829	36,477,412	37,187,835
Total Operating Expenses	<u>\$73,142,838</u>	<u>\$74,804,941</u>	<u>\$76,618,199</u>	<u>\$77,025,556</u>	<u>\$78,501,358</u>	<u>\$79,302,292</u>	<u>\$86,276,426</u>	<u>\$87,217,176</u>	<u>\$80,738,668</u>	<u>\$84,108,121</u>

Source: Finance Department

OPERATING EXPENSES BY FUNCTION

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Transportation	\$24,680,219	\$25,506,068	\$26,163,421	\$27,787,511	\$28,239,330	\$29,168,399	\$29,261,593	\$29,269,181	\$30,149,343	\$31,337,405
Maintenance	17,488,081	18,315,985	17,867,594	16,627,719	15,770,795	14,204,780	14,830,016	15,043,634	15,213,652	16,223,257
Risk Management *	3,708,749	2,206,571	4,981,889	4,448,557	4,233,360	4,674,142	5,100,830	6,525,076	1,146,301	2,851,520
Marketing	2,275,828	2,328,273	2,366,484	2,330,561	2,673,847	2,260,166	2,259,488	2,452,956	2,411,375	2,925,275
General Administration	6,510,371	7,341,094	9,569,184	7,451,941	7,226,877	7,835,246	8,052,766	6,887,007	8,473,242	8,147,166
Depreciation & Other **	18,481,808	19,106,950	15,669,627	18,379,268	20,357,148	21,159,558	26,771,733	27,039,322	23,344,755	22,623,498
Total Operating Expenses	\$73,145,056	\$74,804,941	\$76,618,199	\$77,025,556	\$78,501,358	\$79,302,292	\$86,276,426	\$87,217,176	\$80,738,668	\$84,108,121

* Risk Management consist of casualty and liability costs.

** Depreciation & Other cost consist of depreciation, purchased transportation, leases and rentals, and capital purchases charged to operating.

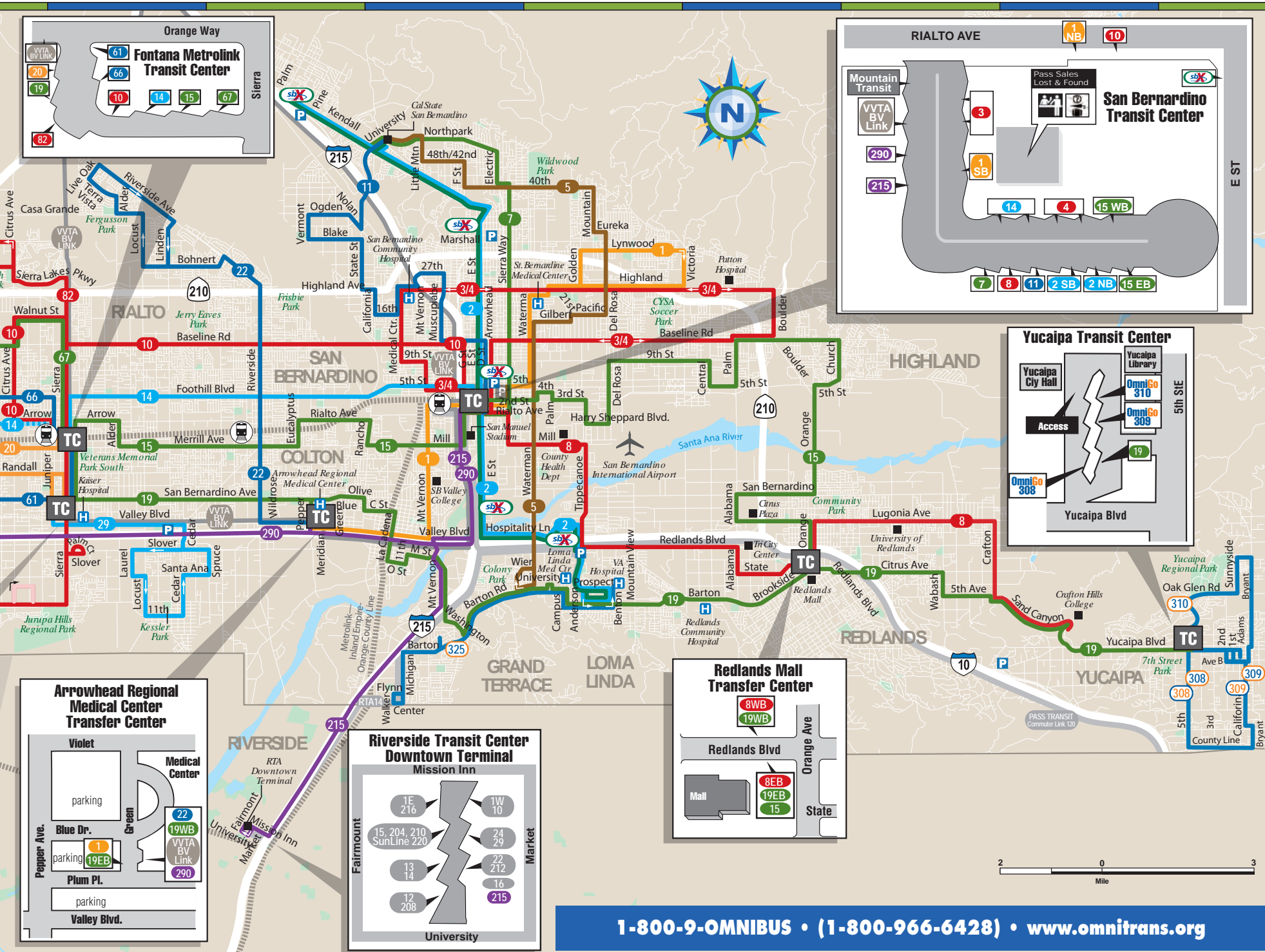
Source: Finance Department

CAPITAL ASSETS BY FUNCTION

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Fixed route Buses	181	180	175	173	177	167	179	172	186	191
Paratransit Paratransit buses	101	101	95	102	101	106	106	96	126	122
Paratransit vans	0	0	6	10	10	10	10	10	10	9
Support vehicles Vans, cars & trucks	39	31	35	52	49	42	43	37	37	40

Source: Finance Department.





Route Listing

Route	Route Name
	Palm/Kendall - CSUSB - VA Hospital
	ARMC - San Bernardino - Del Rosa
	Kendall/Palm - Cal State - E Street - Loma Linda
	Baseline - Highland - San Bernardino
	S. Waterman - Del Rosa - Cal State
	Cal State - Sierra Way - San Bernardino
	San Bernardino - Mentone - Crafton Hills College
	Fontana - Baseline - San Bernardino
	San Bernardino - Muscoy - Cal State
	Fontana - Foothill - San Bernardino
	Fontana - San Bernardino/Highland - Redlands
	Fontana - Colton - Redlands - Yucaipa
	Fontana Metrolink - Via Hemlock - Kaiser
	North Rialto - Riverside Ave - ARMC
	Bloomington - Valley Blvd - Kaiser
	Fontana - Ontario Mills - Pomona
	Fontana - Foothill Blvd - Montclair
	Chaffey College - Baseline - Fontana
	Ontario - Vineyard Ave - Chaffey College
	Chino - Haven - Chaffey College
	Rancho Cucamonga - Fontana - Sierra Lakes
	Chino - Euclid Ave - Upland
	Chino - Mountain Ave - Upland
	Chino - Montclair - Chaffey College
	S. Ontario - Campus Ave - San Antonio Hospital
	Chino Hills - Ramona Ave - Montclair
	Riverside - San Bernardino
	San Bernardino - ARMC - Ontario Mills - Montclair
	OmniGo Yucaipa
	OmniGo Yucaipa
	OmniGo Grand Terrace
	OmniGo Chino/Chino Hills

LEGEND

	Bus Route		Landmark
	Tripper Service		Hospital
	Long-term Detour		Interstate
	Metrolink		State Highway
	Metrolink Station		Park and Ride
	TransCenter (Timed Transfers)		sbX Bus Rapid Service Route

©2015 OmniTrans • Design by Smartmaps
Effective January 2016

Routes and schedules are subject to change without notice.

Important Phone Numbers

Text A Tip (909)368-7711
Send non-emergency text messages to Omnitrans Security

WE TIP (800)782-7463
National anonymous crime tip hotline

Omnitrans Lost & Found
(909)379-7100

OTHER TRANSIT SERVICES

Amtrak (800)872-7245
Providing national passenger rail service

Foothill Transit (800)743-3463
Serving the San Gabriel and Pomona Valleys, and unincorporated Los Angeles County

Greyhound (800)231-2222
Providing national bus service

LAMetro (323)466-3876 or (323)466-3876
Serving Los Angeles County

Mountain Transit (909)878-5200
Serving Big Bear Valley, Rim of the World, including off-the-mountain service between San Bernardino and several mountain communities

Orange County Transportation Authority (OCTA) (714) 636-7433
Serving Orange County

Metrolink (800) 371-5465
Providing regional commuter rail service

Pass Transit (951)769-8530
Serving Banning, Beaumont, Cabazon and Cherry Valley

RTA (951)565-5002
Serving Western Riverside County

VVTA (760)948-3030
Serving Adelanto, Apple Valley, Hesperia, Victorville and portions of San Bernardino County

CONNECTING OUR COMMUNITY



OMNITRANS
1700 W Fifth Street
San Bernardino, CA 92411



1700 W. Fifth St.
San Bernardino, CA 92411
909-379-7100
www.omnitrans.org

ITEM# _____ E5 _____

DATE: February 11, 2016

TO: Committee Chair Ed Graham and
Members of the Administrative and Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Marjorie Ewing, Director of Human Resources Safety and Regulatory
Compliance

**SUBJECT: ADOPT PROPOSED PERSONNEL POLICY CHANGES AND
APPROVE JOB DESCRIPTIONS FOR SPECIAL TRANSIT SERVICES
DEPARTMENT**

FORM MOTION

Recommend to the Board of Directors:

Adopt the proposed changes to Policy 303 – New Positions and Policy 402 - Salary Ranges –
Management and Confidential Employees;

Approve Job Descriptions (attached) for the new Special Transit Services Department:

Director of Special Transit Services
Office Administrator – Special Transit Services
Maintenance Supervisor – Special Transit Services
Programs Administrator – Special Transit Services
Administrative Assistant – Special Transit Services
Class B Technician – Special Transit Services
Client Relations Coordinator – Special Transit Services
Travel Trainer – Special Transit Services

BACKGROUND

On February 3, 2016, the SANBAG Board of Directors approved Amendment No. 2 to Contract No. C11174 with Valley Transportation Services (VTrans), for the operation of a consolidated transportation services agency (CTSA), terminating SANBAG's obligations to provide future Measure I Valley area CTSA funding to VTrans and obligating VTrans to transfer unobligated CTSA Funds and Valley CTSA records to SANBAG and to transfer obligated funds to

SANBAG at such time as VTrans' corresponding obligations are assigned to a successor entity. Additionally, the SANBAG approved Agreement No. 16-1001458 with Omnitrans, allocating Measure I CTSA funds to Omnitrans for operations of a consolidated transportation services agency to provide for the coordination of transit services for seniors and persons with disabilities. Subsequently, the agreement was approved by the Omnitrans Board of Directors.

The approved VTrans Transition Plan & Financial Analysis requires amending Omnitrans Personnel Policy 303 – New Positions, and Policy 402 - Salary Ranges – Management and Confidential Employees in order to take the first steps in executing the Transition Plan. The approved Transition Plan establishes the Special Transit Services Department to perform the functions of the CTSA, as well ADA (Americans with Disabilities Act) services.

Incumbents that hold current VTrans positions must complete an Omnitrans employment application and meet minimum requirements of the position. If the incumbent meets the minimum requirements, an offer contingent will be made pending background, drug screen and physical. For those positions that are created outside the current VTrans organizational structure that were approved in the Transition Plan, a full internal/external recruitment must be completed in accordance with Policy 404.

FUNDING SOURCE

SANBAG – Measure I funds.

CONCLUSION

Upon approval of the Form Motion by the Board of Directors, Omnitrans will begin meeting with VTrans employees to commence employment processing.

PSG:ME



PERSONNEL POLICY MANUAL

POLICY 303 PAGE 1 OF 1

SUBJECT

New Positions

APPROVED BY OMNITRANS
BOARD OF DIRECTORS

DATE: July 1, 2015 March 2, 2016

I. Purpose

To state Omnitrans' policy on new positions in the classification plan.

II. Scope

All Departments

III. Procedure

When a new position is created, before it may be filled, the appointing authority shall notify the Director of Human Resources Safety & Regulatory Compliance and, except as otherwise provided by these rules or policies, no person is appointed or employed to fill any such position until the classification plan is amended and an appropriate recruitment has been conducted. The exception will be in cases of consolidation, merger, or transition into the Omnitrans organizational structure for which approved transition plans will be honored.



PERSONNEL POLICY MANUAL

POLICY 402 PAGE 1 OF 4

SUBJECT

Salary Ranges Management Confidential Classifications

APPROVED BY OMNITRANS
BOARD OF DIRECTORS

DATE: July 1, 2015 March 2, 2016

I. Purpose

To state Omnitrans' policy on salary ranges for Management and Confidential classifications.

II. Scope

All Departments

III. Procedure

- A. The Director of Human Resources Safety & Regulatory Compliance is responsible for compensation administration and will modify and issue, from time to time, pay ranges and guidelines for salary adjustments as approved by the Board of Directors.
- B. The CEO may increase the range to accommodate salary in lieu of providing an agency vehicle when necessary.

Classification	Minimum	Mid-Point	Maximum
<u>Level I</u> Deputy General Manager	8497	10549	12600
<u>Level II</u> Director of Finance Director of HR and Safety & Regulatory Compliance Director of Information Technology Director of Internal Audit Director of Maintenance Director of Marketing & Planning Director of Operations Director of Procurement Director of Special Transit Services	7400	9188	10977
<u>Level III</u> Accounting Manager Contracts Manager Development Planning Manager Employee Relations Manager Facility Manager Maintenance Manager Safety & Regulatory Compliance Manager Service Planning Manager	6162	7635	9108



PERSONNEL POLICY MANUAL

POLICY 402 PAGE 2 OF 4

SUBJECT

Salary Ranges Management Confidential Classifications

APPROVED BY OMNITRANS
BOARD OF DIRECTORS

DATE: July 1, 2015 March 2, 2016

Transportation Manager
Treasury Manager

Level IV 5667 6678 7690

Database Administrator
Materials Manager
Network Administrator
Technical Services Manager
System Coordinator

Level V 4824 5825 6711

Office Administrator – Special Transit Services
Application Developer
Application Specialist
Executive Assistant to the CEO/GM
Assistant Transportation Manager
Contract Administrator
Customer Service Manager
Dispatch Supervisor
Facility Supervisor
Fleet Safety & Training Supervisor
HR Leave Administrator
Security & Emergency Preparedness Coordinator
Maintenance Supervisor – Special Transit Services
Marketing Manager
Planner II
Programs Administrator – Special Transit Services
Safety & Regulatory Compliance Specialist
Senior Financial Analyst
Shift Supervisor
Systems Engineer
Web Designer

Level VI 4249 5091 5933

Accountant
Field Supervisor
Fleet Safety & Training Instructor
Human Resources Analyst
Human Resources Specialist
Network Technician
Scheduling Analyst
Operations Services Supervisor
Sales Supervisor



PERSONNEL POLICY MANUAL

POLICY 402 PAGE 3 OF 4

SUBJECT

Salary Ranges Management Confidential Classifications

APPROVED BY OMNITRANS
BOARD OF DIRECTORS

DATE: July 1, 2015 March 2, 2016

Stops and Stations Supervisor

<u>Level VII</u>	3953	4738	5523
Contract Review Analyst			
Department Senior Secretary			
Dispatcher			
Marketing Specialist			
Planner I			

<u>Level VIII</u>	3383	3940	4498
Administrative Secretary			
Fleet Analyst			
Human Resources Assistant			
Payroll Technician			
Warranty Coordinator			

<u>Level IX</u>	2841	3318	3796
Administrative Assistant – Special Transit Services			
Class B Technician – Special Transit Services			
Client Relations Coordinator – Special Transit Services			
Human Resources Clerk			
Travel Trainer – Special Transit Services			

When range changes occur every two years, Management & Confidential employees will maintain the same placement (compa ratio) in the new range.

The following classifications are for Capital Projects and are mandated by the FTA:

<u>Level I</u>	8497	10549	12600
Program Manager			

<u>Level II</u>	7400	9188	10977
Construction Manager			

<u>Level III</u>	6162	7635	9108
Quality Assurance Manager			

<u>Level IV</u>	5667	6678	7690
Construction Safety Manager			
Senior Contract Administrator			

<u>Level VI</u>	4249	5091	5933
Project Analyst			



PERSONNEL POLICY MANUAL

POLICY 402 PAGE 4 OF 4

SUBJECT

**Salary Ranges
Management Confidential Classifications**

APPROVED BY OMNITRANS
BOARD OF DIRECTORS

DATE: July 1, 2015 March 2, 2016

Level VIII

3383

3940

4498

Administrative Secretary-Capital Projects

PROPOSED

OMNITRANS

Position Description

Job Title: Director of Special Transit Services
Department: Special Transit Services
Reports To: Chief Executive Officer/ General Manager
FLSA Status: Exempt; Level 2
Approved By: Board of Directors
Approval Date: Proposed March 2, 2016
Revision Date(s):

SUMMARY

Leads, directs, and coordinates contracted transportation services contracts. This includes developing, implementing and monitoring policies and procedures to ensure vendor contract compliance with Agency requirements.

ESSENTIAL DUTIES AND RESPONSIBILITIES The following duties are standard for this position. The omission of specific statements of duties does not exclude them from the classification if the work is similar, related, or a logical assignment for this classification.

Develops and administers competitively awarded contracts for transportation services. Reviews and approves contract transportation service invoices. Monitors and verifies required contractor reporting, ensuring compliance with all Agency, local, state and federal requirements. Reviews the accuracy of operations data, revenue hours, ridership, etc.

Develops and monitors fixed route, paratransit service, and specialized transportation performance indicators. Evaluates performance through data collection, analysis, and preparation of reports. Makes recommendations for schedule adjustments, and coordinates the implementation of service modifications with the Agency's Planning Department.

Develops procedures to resolve daily operational issues. Responds to customer and vehicle operator concerns regarding service. Directs departmental staff to address vehicle issues, service planning, contract administration, and data collection and monitoring.

Develops departmental level budget for Contract Operations group, including all subgroup spending allocations. Manages monthly budget-to-actual comparisons to ensure on-going budgetary compliance.

Provides direction and technical assistance to contractors. Ensures contractor compliance with Americans with Disabilities Act (ADA) regulations.

Prepares an annual coordinated public transit – HumanServices Transportation Plan for San Bernardino Valley.

Participates as Agency's Liaison with specialized entities within the Agency's service area to educate customers and citizen groups about transportation services. Represents Agency at meetings with other agencies and organizations.

Prepares monthly reports summarizing contract operator performance or as needed. Works with other departments to develop long and mid-range planning documents, annual reporting including National Transit Database (NTD) reporting.

Develops scopes of work for requests for proposals for contract transportation services, participates in the development of scopes of work for support services as needed. Participates in competitive procurements for contract transportation and support services.

Serves as contact for response to customer comments, concerns and issues. Ensures timely response and resolution from contractors. Provides direction to departmental staff on customer relations issues and the investigation of complaints. Works directly with customers to resolve ongoing or escalated issues.

Directs the Agency's ADA Certification process and ensures compliance with all local, state and federal regulations. Provides guidance to Agency personnel on ADA regulatory compliance issues and makes recommendations on policy changes to ensure ongoing compliance with federal and state requirements.

Provides direction and oversight of the Agency's Travel Training program including grant oversight, reporting to SANBAG, regulatory compliance and community outreach.

Provides direction for the Agency's Medi-Cal Reimbursement program, including budgetary oversight and regulatory compliance with all local, state and federal requirements.

In conjunction with maintenance and human resources, audits contractor/specialized transportation to ensure adherence to state and federal license/certificate and drug policy guidelines.

SUPERVISORY RESPONSIBILITIES

Supervises and evaluates contract operations staff. Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws. Responsibilities include interviewing, and training employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems.

QUALIFICATIONS To perform this job successfully, an individual must be able to perform each duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required.

EDUCATION and/or EXPERIENCE

Any combination of education and experience equivalent to a bachelor's degree (B.A./B.S.) from a four-year college or university and five years of increasingly responsible professional experience in transit operations, demand-responsive paratransit operations, fixed route operations, transportation management, or contract administration.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures, or government regulations. Ability to write reports, business correspondence, procedure manuals, contract specifications, RFP's, and IFB's. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public.

MATHEMATICAL SKILLS

Ability to calculate figures and amounts such as discounts, interest, commissions, proportions, percentages, area, circumference, and volume. Ability to apply concepts of basic algebra and geometry.

COMPUTER SKILLS

Must be familiar with current business operating systems, software, and programs (i.e. Microsoft Office, to include Word, Excel, Access, etc.) Ability to interface with mainframes and extract data from proprietary databases.

REASONING ABILITY

Ability to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Ability to interpret a variety of instructions furnished in written, oral, diagram, or schedule form.

CERTIFICATES, LICENSES, REGISTRATIONS

Must possess a valid California Driver's license.

OTHER SKILLS AND ABILITIES

Knowledge of:

- Demand-responsive and fixed route transit operations and applicable state and federal regulations.
- Implementation of contract services.
- Principles of contract monitoring and administration.
- Principles of service procurement using competitive bidding.
- Transit operations and state and federal transit regulations and reporting.
- The Americans Disabilities Act (ADA), local, State and Federal requirements for ADA complementary service.
- Special transit needs for persons with disabilities and senior citizens.
- National Transit Database reporting.

Ability to:

- Negotiate and administer service contracts with private vendors.

- Compile and analyze complex data and determine appropriate course of action.
- Work independently, establish priorities, and take lead on assigned projects.
- Research and analyze operational problems and develop sound solutions.
- Communicate effectively with general public, special interest groups, and transit service providers.
- Prepare written reports and make presentations to senior management and decision makers regarding specialized transportation and operational performance.
- Communicate effectively, both written and orally.
- Ability to interpret and resolve contractual issues.
- Manage multiple projects.

PHYSICAL DEMANDS The physical demands described here are representative of those that must be met by an employee to successfully perform the functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the functions.

While performing the duties of this job, the employee is regularly required to sit; use hands to finger, handle, or feel; reach with hands and arms; and talk or hear. The employee is occasionally required to stand; walk; and stoop, kneel, crouch, or crawl; and climb or balance. The employee must occasionally lift and/or move up to 10 pounds. Specific vision abilities required by this job include close vision, depth perception, and ability to adjust focus.

WORK ENVIRONMENT The work environment characteristics described herein are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The noise level in the work environment is usually moderate.

OMNITRANS
Position Description

Job Title: Office Administrator – Special Transit Services
Department: Special Transit Services
Reports To: Director of Special Transit Services
FLSA Status: Exempt; Level 5
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY

The Office Administrator is responsible for grant management, contract oversight, daily accounting and overall office administration and provides direct support and assistance to the Director of Special Transit Services.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Monitors contracts and ensures compliance of stated outcomes, policies and provisions

Prepares grant applications for State and Federal funding

Prepares meeting agendas and provides the Board of Directors with updates on progress of contracts, internal policies and procedures

Prepares necessary documentation to external auditors and assist during the review process

Manages the organization's webpage, newsletters and social media accounts

Prepares requests for reimbursement with necessary supporting documentation

Reconciles bank accounts, record deposits, receives payments and issues vendor invoices

Processes time sheet records

Assists in the development of agency policies and procedures and assure implementation

Conducts new hire orientation for the department

Prepares and submit quarterly reports for grant funded programs

Collaborates with other non-profit and public organizations to identify capital and operating grant opportunities for transportation involving senior citizens, individuals with disabilities and/or low-income

Job Title: Office Administrator – Special Transit Services

Page 2

Provides technical assistance and support to current and potential grant applicants

Conducts annual on-site audits of sub-recipient programs and maintain all records of monitoring

Attends Board and other meetings or conferences as necessary

Oversees progress and performance of internal and external programs and provides administrative support as necessary

Supervises and evaluates the performance of Administrative Assistant

SUPERVISORY RESPONSIBILITIES

Directly supervises the Administrative Assistant. Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws. Responsibilities include interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems. Also provides for staff developing and career counseling.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. Valid California driver's license without driving violations and insured automobile.

EDUCATION and/or EXPERIENCE

Bachelor's degree from four-year college or university in business administration, and two years of experience. Two years of office management or related experience. Two years of accounting, finance or related experience. Experience using Quickbooks or other accounting software. Experience with data management systems or databases. Excel, Word, and PowerPoint skills required. Motivated with sense of teamwork. Highly organized and detail oriented. Ability to handle multiple projects simultaneously and meet deadlines. Excellent communication skills, written and verbal.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures or governmental regulations. Ability to write reports, business correspondence and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public. Bi-lingual preferred, but not required.

Job Title: Office Administrator – Special Transit Services

Page 3

MATHEMATICAL SKILLS

Ability to work with mathematical concepts such as probability and statistical inference, and fundamentals of plane and solid geometry and trigonometry. Ability to apply concepts such as fractions, percentages, ratios, and proportions to practical situations.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs.

REASONING ABILITY

Ability to define problems, collect data, establish facts, and draw valid conclusions. Ability to interpret and extensive variety of technical instructions in mathematical or diagram form and deal with several abstract and concrete variables.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to sit. The employee frequently is required to walk and talk or hear. The employee is occasionally required to stand; use hands with the dexterity required to operate a computer or workstation; and reach with hands and arms. The employee must occasionally lift and/or move up to 10 pounds. Specific vision abilities required by this job include close vision, depth perception, and ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is occasionally exposed to outside weather conditions. The noise level in the work environment is usually moderate.

OMNITRANS
Position Description

Job Title: Maintenance Supervisor - Special Transit Services
Department: Special Transit Services
Reports To: Director of Special Transit Services
FLSA Status: Exempt; Level 5
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY The Maintenance Supervisor will assist in the design process and opening of a brand new facility located on the west end of the San Bernardino Valley. The manager will help recruit and hire mechanics and administrative staff. The Maintenance Supervisor is expected to be a working mechanic and will spend some time on repairs and training of staff. The manager will also assist in securing business for the facility. The facility will service other nonprofit and for profit vehicles fleets, mostly consisting of paratransit type vehicles.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Manage, organize, direct, implement coordinate and supervise all activities of the facility;

Hire, supervise and evaluate overall performance of maintenance staff;

Define operational procedures for effectiveness, develop maintenance plans and ensure proper staffing levels;

Develop and review for accuracy and consistency all work orders, invoices, transactions and work within a budget;

Compile vehicle service and repair estimates;

Communicate and coordinate with customers regarding all maintenance schedules and repairs;

Ensure compliance with various federal, state, local and internal safety laws and regulations including understanding proper handling, storage, and disposal and reporting of toxic materials and waste;

Plan for space and equipment needs for shop operations, coordinated purchases and design of the shop; and

Serve as Maintenance Shop Lead Diagnostic Technician; assists with vehicle repairs when necessary.

Job Title: Maintenance Supervisor - Special Transit Services

Page 2

SUPERVISORY RESPONSIBILITIES

Directly supervises the Class B Technician. Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws. Responsibilities include interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems. Also provides for staff developing and career counseling.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Ability to teach ideas, concepts and skills to the elderly and or disabled effectively

Ability to work independently and manage time effectively.

Valid California Class B driver's license.

EDUCATION and/or EXPERIENCE

Bachelor's Degree preferred, but not required

Minimum of 8 years' experience working with trucks, buses, transit vehicles

Must have 5+ years' experience as a mechanic

Must have 3+ years' experience managing a shop or supervising in a larger shop environment

ASCE certified and DOT annual inspector Certifications preferred.

LANGUAGE SKILLS

Bi-lingual – highly preferred but not required

Excellent oral and written communication skills. Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures, or governmental regulations.

Ability to write reports, business correspondence, and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public.

MATHEMATICAL SKILLS

Ability to calculate figures and amounts such as discounts, interest, commissions, proportions, percentages, area, circumference, and volume. Ability to apply concepts of basic algebra and geometry.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs. Ability to use computers, planning and organizational skills are required.

Job Title: Maintenance Supervisor - Special Transit Services

Page 3

REASONING ABILITY

Ability to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Ability to interpret a variety of instructions furnished in written, oral, diagram, or schedule form.

OTHER SKILLS AND ABILITIES

Knowledge of supervisory and management concepts as related to planning, directing and controlling staff. Knowledge of automotive and motor coach maintenance and repair procedures and techniques. Knowledge of principles and practices used in effective preventive maintenance programs. Knowledge of diagnostic techniques used in determining the nature and extent of vehicular malfunctions.

Budgeting and ability to manage a budget

Experience with diagnostic computer equipment

Knowledge of the special needs and requirements involved in transporting disabled and elderly persons

Knowledge of proper record keeping and computerized record keeping methods

Knowledge of safe and proper operation of lift equipped buses and specialized equipment/devices

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to talk or hear, use hands to finger, handle or feel, stoop, kneel, crouch or crawl, and reach with hands and arms. The employee is regularly required to stand, walk, and sit. The employee is occasionally required to climb or balance, and taste or smell. The employee must occasionally lift and/or move more than 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently exposed to moving mechanical parts. The employee is regularly exposed to outdoor weather conditions and extreme heat (non-weather). The employee is occasionally exposed to work in high, precarious places, fumes or airborne particles, toxic or caustic chemicals, risk of electrical shock and work with explosives. The noise level in the work environment is usually moderate and occasionally loud.

OMNITRANS
Position Description

Job Title: Programs Administrator - Special Transit Services
Department: Special Transit Services
Reports To: Director of Special Transit Services
FLSA Status: Exempt; Level 5
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY The Programs Administrator will oversee the activities and operations of Special Transit Services, Travel Training, Volunteer Driver and Taxi Programs.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Trains, supervises and evaluates the work of four (4) Travel Trainers and one (1) Client Relations Coordinator.

Supervises the scheduling and progress of individual and group trainings.

Develops, distributes and/or modifies a variety of training procedures, methods, materials and forms to facilitate effective training and customer education.

Schedules reimbursements online through the agency's enterprise system, exports data from data management system, creates templates in bank platform, imports data into templates, and initiates payments.

Analyzes and reviews ride reports for Lyft and taxi programs and provides invoices to Administrative Manager.

Gathers and compiles statistical data and information regarding program or service areas and evaluates the information to determine efficiency and effectiveness of the program.

Maintains communication with program partners/stakeholders i.e. taxi companies, Lyft, San Bernardino Department of Aging and Adult Services (DAAS) and Inland Regional Center.

Receives and verifies accuracy of time cards and mileage claims for program staff.

Assists in the preparation of grant proposals for funding, provides reports necessary for compliance with grant requirements and conditions.

Job Title: Programs Administrator - Special Transit Services

Page 2

Maintains a computerized database containing various customer registration and demographic records, program documents and reports.

Establishes and maintains accurate files and record keeping systems to track and monitor program activities and operations.

Performs special projects at request of the Director.

SUPERVISORY RESPONSIBILITIES

Directly supervises the Travel Trainers and the Client Relations Coordinator. Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws. Responsibilities include interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems. Also provides for staff developing and career counseling.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and/or EXPERIENCE

Bachelor's degree from four-year college or university in Special Education, Rehabilitation Counseling, Human Services, Therapeutic Recreation, Occupational Therapy or a related field. Experience may be substituted for education and may be waived depending upon work history. Experience in working with individuals with disabilities and/senior citizens.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures or governmental regulations. Ability to write reports, business correspondence and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public. Bi-lingual preferred, but not required.

MATHEMATICAL SKILLS

Ability to work with mathematical concepts such as probability and statistical inference, and fundamentals of plane and solid geometry and trigonometry. Ability to apply concepts such as fractions, percentages, ratios, and proportions to practical situations.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs.

Job Title: Programs Administrator - Special Transit Services

Page 3

REASONING ABILITY

Ability to define problems, collect data, establish facts, and draw valid conclusions. Ability to interpret an extensive variety of technical instructions in mathematical or diagram form and deal with several abstract and concrete variables.

OTHER SKILLS AND ABILITIES

Must possess a valid California driver's license.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk or hear, use hands to finger, handle or feel, and reach with hands and arms. The employee is occasionally required to stand, walk, and stoop, kneel, crouch or crawl. The employee must regularly lift and/or move up to 10 pounds and occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The noise level in the work environment is usually moderate.

OMNITRANS
Position Description

Job Title: Administrative Assistant– Special Transit Services
Department: Special Transit Services
Reports To: Administrative Manager - Special Transit Services
FLSA Status: Non-Exempt; Level 9
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY

This position is responsible for assisting the Administrative Manager in daily activities including phone answering, staying current on recent trends in the fields of transit, special needs, and human services, event planning, social media, and various other administrative duties.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Answers telephones and assist callers with information about transportation options offered by the agency and partner agencies

Organizes and schedules the distribution of monthly electronic newsletter.

Maintains social media accounts (Twitter & Facebook).

Assists in daily accounting tasks including receiving payments and entering transactions.

Enters client data into electronic data management system.

Attends meetings and delivers oral presentations about the programs offered.

Assists in the planning of organization events and/or campaigns

Performs other duties as required.

SUPERVISORY RESPONSIBILITIES

This position has no supervisory responsibilities.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Job Title: Administrative Assistant - STS**Page 2****EDUCATION and/or EXPERIENCE**

High school diploma or general education degree (GED); minimum of 2 years of customer service, nonprofit, administrative or other relatable experience.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures or governmental regulations. Ability to write reports, business correspondence and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public. Bi-lingual – fluent in Spanish and English required.

MATHEMATICAL SKILLS

Ability to add and subtract two digit numbers and to multiply and divide with 10's and 100's. Ability to perform these operations using units of American money and weight measurement, volume, and distance.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs. Ability to use computers, planning and organizational skills are required. Experience using social media and other web-based applications as marketing tools.

REASONING ABILITY

Ability to apply common sense understanding to carry out detailed but uninvolved written or oral instructions. Ability to deal with problems involving a few concrete variables in standardized situations.

OTHER SKILLS AND ABILITIES

Valid Class C Driver's License

Experience using Quickbooks or other accounting software

Bilingual strongly preferred

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, and talk or hear, and use hands to finger, handle or feel. The employee is occasionally required to stand, walk, stoop, kneel, crouch or crawl, and reach with hands and arms. The employee must occasionally lift and/or move up to 10 pounds.

Job Title: Administrative Assistant - STS

Page 3

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The noise level in the work environment is usually moderate.

PROPOSED

OMNITRANS
Position Description

Job Title: Class B Technician – Special Transit Services
Department: Special Transit Services
Reports To: Maintenance Manager – Special Transit Services
FLSA Status: Non-Exempt; Level 9
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY This position will require an automotive technician with the knowledge and skills necessary to repair, diagnose and perform PM inspections on Paratransit type vehicles. The technician is expected to perform quality repairs and inspections that meet all DOT standards. This individual must have the ability to effectively communicate and work with customers and other employees. The technician must be available to work flexible hours which may include weekend and night shifts. Technician is required furnish his or her own complete automotive tool set.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Performing PM inspections that meet industry standards

Diagnose and accurately perform all phases of vehicle and equipment repair

Ensure work orders are completed properly and accurately

Select appropriate course of action required for all repairs

Evaluate completed work prior to customer pick up – seek supervisor approval where required

Ensure safe use of vehicle lifts, shop equipment and hand held tools

Continuous practice maintaining shop and facility cleanliness

Perform road calls and emergency services as necessary

Transport customer vehicles safely to and from maintenance facility

Clean and wash customer vehicles if required

Communicate professionally with customers, employees and supervisors

Job Title: Class B Technician**Page 2**

Actively participate in safety or educational training as required

SUPERVISORY RESPONSIBILITIES

This position has no supervisory responsibilities.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Valid Class B Driver's License

Ability to work independently and manage time effectively.

EDUCATION and/or EXPERIENCE

Minimum of 2 years' experience working with trucks, buses, transit vehicles.

Must have 4+ years' experience as a mechanic

Must be ASE certified or currently enrolled in an automotive training program.

Automotive trade school preferred, but not required

LANGUAGE SKILLS

Bi-lingual – highly preferred, but not required.

Ability to read and comprehend simple instructions, short correspondence, and memos. Ability to write simple correspondence. Ability to effectively present information in one-on-one and small group situations to customers, clients, and other employees of the organization.

MATHEMATICAL SKILLS

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals. Ability to compute rate, ratio, and percent and to draw and interpret bar graphs.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs. Ability to use computers, planning and organizational skills are required.

Experience with diagnostic computer equipment

REASONING ABILITY

Ability to apply common sense understanding to carry out instructions furnished in written, oral, or diagram form. Ability to deal with problems involving several concrete variables in standardized situations.

Job Title: Class B Technician

Page 3

OTHER SKILLS AND ABILITIES

Experience in proper work order documentation.

Knowledge of safe and proper operation of lift equipped buses and specialized equipment/devices.

Must furnish complete automotive tool set.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee frequently required to stand, walk, talk or hear, use hands to finger, handle or feel, stoop, kneel, crouch or crawl, and to reach with hands and arms. The employee is occasionally required to sit, climb or balance, and taste or smell. The employee must frequently lift and/or move up to 10 pounds, and must occasionally be required to lift and/or move more than 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently exposed to working near moving mechanical parts. The employee is regularly exposed to outside weather conditions, working in a high, precarious place, fumes or airborne particles, toxic or caustic chemicals, extreme heat (non-weather), and risk of electrical shock. The employee is occasionally exposed to working with explosive. The noise level in the work environment is usually loud.

OMNITRANS
Position Description

Job Title: Client Relations Coordinator – Special Transit Services
Department: Special Transit Services
Reports To: Programs Administrator - Special Transit Services
FLSA Status: Non-Exempt; Level 9
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY This position is responsible for assisting the Programs Administrator in daily activities related to the Taxi and Volunteer Driver programs including data entry, assisting clients over the phone, generating reports, and other duties as necessary.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Assists callers with information about transportation programs offered by the agency and partner agencies

Audits, obtains proper program documentation, updates client information, and inputs client data into electronic database.

Generates reports from the data management system

Provides technical assistance to clients while communicating patience and understanding

Provides hands on training of how to use Lyft mobile application, taxi debit card and web-based portal

Delivers presentations throughout the community

Performs other duties as required.

SUPERVISORY RESPONSIBILITIES

This position has no supervisory responsibilities.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Job Title: Client Relations Coordinator - STS

Page 2

EDUCATION and/or EXPERIENCE

High school diploma or general education degree (GED); minimum of 2 years of customer service, nonprofit, administrative or other relatable experience. Experience working with individuals with disabilities and/senior citizens.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures or governmental regulations. Ability to write reports, business correspondence and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public. Bi-lingual – fluent in Spanish and English required.

MATHEMATICAL SKILLS

Ability to add and subtract two digit numbers and to multiply and divide with 10's and 100's. Ability to perform these operations using units of American money and weight measurement, volume, and distance.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs. Ability to use computers, planning and organizational skills are required.

REASONING ABILITY

Ability to apply common sense understanding to carry out detailed but uninvolved written or oral instructions. Ability to deal with problems involving a few concrete variables in standardized situations.

OTHER SKILLS AND ABILITIES

Must possess a valid California driver's license.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, and talk or hear. The employee is regularly required to stand and walk. The employee is occasionally required to climb or balance, stoop, kneel, crouch or crawl, and reach with hands and arms. The employee must occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is occasionally exposed to outside weather conditions. The noise level in the work environment is usually moderate.

PROPOSED

OMNITRANS
Position Description

Job Title: Travel Trainer – Special Transit Services
Department: Special Transit Services
Reports To: Programs Administrator – Special Transit Services
FLSA Status: Non-Exempt; Level 9
Approved By: BOD
Approved Date: March 2, 2016
Revised:

SUMMARY Full-time position responsible for one-on-one training and support services to eligible Travel Training Program participants, and other duties as assigned.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following. Other duties may be assigned.

Provides one-on-one training and support services to elderly and/or physically, developmentally or mentally disabled residents in the safe and proper use of the transit bus system;

Provides home and on the bus training as required;

Provides training and instruction in a variety of areas including bus rules and regulations, appropriate public behavior, street crossing skills, emergency procedures and safety, how to read a bus schedule, landmark identification, bus pass procedures;

Maintains detailed records of trainee progress and prepares required reports as needed;

Conducts and/or participates in program orientation presentation to community groups and organizations to explain program services and operations;

Visits applicants' residence and conducts trainee assessment, explaining mobility training goals and services, assessing individual transportation needs and abilities to include identifying any disabilities which would require special training efforts;

Evaluates assessment information and determines if individuals are eligible for mobility training using well defined eligibility criteria and established procedures;

Plans and develops individualized training schedules for program participants including identification of special needs training;

Develops and maintains contacts with individuals and agencies that make referrals for mobility training;

Job Title: Travel Trainer**Page 2****SUPERVISORY RESPONSIBILITIES**

This job has no supervisory responsibilities.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and/or EXPERIENCE

High school diploma or general education degree (GED); and one year of related experience and/or training; experience working with individuals with disabilities and/senior citizens. Knowledge of the local transit system

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures, or governmental regulations. Ability to write reports, business correspondence, and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, clients, customers, and the general public.

MATHEMATICAL SKILLS

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals. Ability to compute rate, ratio, and percent and to draw and interpret bar graphs.

COMPUTER SKILLS

Must be familiar with current business office operating systems, software and programs. Ability to use computers, planning and organizational skills are required.

REASONING ABILITY

Ability to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Ability to interpret a variety of instructions furnished in written, oral, diagram, or schedule form.

OTHER SKILLS AND ABILITIES

Bi-lingual – highly preferred.

Ability to teach ideas, concepts and skills to the elderly and or disabled effectively.

Ability to work independently and manage time effectively.

Valid California driver's license.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently is required to stand, sit, walk, talk or hear, use hands to finger, handle or feel, and to reach with hands and arms. The employee is regularly required to climb or balance. The employee must occasionally lift and/or move up to 10 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently exposed to outside weather conditions. The noise level in the work environment is usually moderate and occasionally loud.