



Foothill Transit

GOVERNING BOARD MEETING

West Covina, CA
Friday, December 18, 2020



Foothill Transit

Foothill Transit MISSION

To be the premier public transit provider committed to:

SAFETY

COURTESY

QUALITY

RESPONSIVENESS

EFFICIENCY

INNOVATION



Foothill Transit VALUES

SAFETY

We educate, encourage, and endorse a strong culture of safety at all levels of the organization, valuing the responsibility entrusted in us by the communities that we serve.

RESULTS

We value the achievement of organizational goals and initiatives as defined in our business plan and involving all levels of the organization.

INTEGRITY

We are committed to high ethical standards based on accountability, honesty, respect, transparency, and a high level of fiscal responsibility.

GRATITUDE

We are a team united in thankfulness for each other; we express gratitude for our many opportunities by investing our time and energy in our community and industry, and through the open expression of appreciation.

DIVERSITY

We create an environment rich with talented people and differing viewpoints, valuing the unique perspectives that everyone brings.

TEAM MEMBERS

Our team members are the key to Foothill Transit's success and we are committed to supporting them through education, development, and recognition.

COMMUNICATION

We value and are committed to open honest respectful discussion which is responsive, informative, and constructive.

SUSTAINABILITY

We embrace sustainability because it benefits all aspects of our business while helping our communities by protecting the environment through measured and responsible stewardship of resources.



Foothill Transit

Governing Board Meeting AGENDA

GOVERNING BOARD MEETING - TELECONFERENCE

7:45 AM, DECEMBER 18, 2020

Foothill Transit Administrative Office

2nd Floor Board Room

100 South Vincent Avenue

West Covina, CA 91790

FOOTHILL TRANSIT IS TAKING ALL PRECAUTIONS POSSIBLE TO PREVENT THE SPREAD OF COVID-19. FOR THE HEALTH AND SAFETY OF ALL GOVERNING BOARD MEMBERS, FOOTHILL TRANSIT STAFF, AND THE PUBLIC, PARTICIPATION IN THE MEETING WILL BE DONE REMOTELY VIA TELECONFERENCE USING THE FOLLOWING ZOOM MEETING LINK: <https://foothilltransit.zoom.us/j/81928525442>. ALTERNATIVELY, TO PARTICIPATE VIA PHONE, DIAL (669) 900-6833 AND ENTER MEETING ID: 819-2852-5442.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES FOR THE GOVERNING BOARD MEETING OF OCTOBER 30, 2020

Public Comment: Members of the public shall have the right to address the Board on any item of interest which is within the jurisdiction of the Board before or during the Board's consideration of the item. Presentation shall not exceed two minutes in length. Action may be taken on any item identified on the agenda. Persons wishing to comment should submit a "Request to Speak" form to the Secretary. Note: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA.

The public may view and obtain all written information supporting this agenda provided to the board both initially and supplementary prior to the meeting by calling (626) 967-3147 extension 7204 or at the agency's offices located at 100 S. Vincent Ave., Suite 200, West Covina, CA 91790. Documents, including PowerPoint handouts, distributed to Board Members by staff or Board Members at the meeting will simultaneously be made available to the public upon request.



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6. PUBLIC COMMENT

Public Comment: Members of the public shall have the right to address the Board on any item of interest which is within the jurisdiction of the Board before or during the Board’s consideration of the item. Presentations shall not exceed two minutes in length. The Board will take public comment under this agenda item for a maximum of 30 minutes. Public Comment will resume later in the meeting if there are members of the public who did not get an opportunity to speak because of the 30-minute limit.

Action may be taken on any item identified on the agenda.

IF PARTICIPATING VIA ZOOM, CLICK ON “RAISE HAND” TO INDICATE YOU WOULD LIKE TO SPEAK. IF PARTICIPATING VIA PHONE CALL, SUBMIT A REQUEST TO BOARD.SECRETARY@FOOTHILLTRANSIT.ORG BY CLOSE OF BUSINESS ON DECEMBER 17, 2020.

6.1. Chief Executive Officer Response to Public Comment

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Executive Director’s office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

If you require translation services, please contact the Executive Director’s office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

Si necesita servicios de traducción, por favor póngase en contacto con la oficina del Director Ejecutivo en el (626) 931-7300, extensión 7204, al menos 48 horas antes de la reunión.

如果需要翻译服务, 请至少于会议前48小时致电高级主任办公室: (626) 931-7300 分机 7204。

Nếu Quý vị có yêu cầu dịch vụ dịch thuật, xin vui lòng liên hệ với văn phòng Giám đốc Điều hành tại (626) 931-7300 số lẻ 7204, ít nhất 48 giờ trước khi cuộc họp.

Kung nangangailangan ka ng mga serbisyo sa pagsasalin, pakisuyong makipag-ugnayan sa opisina ng Executive Director sa (626) 931-7300 extension 7204, ng hindi bababa sa 48 oras bago ang pulong.

번역 서비스가 필요하시면 미팅 최소 48시간 이전에 임원 사무실로 (626-931-7300, 내선 번호 7204) 전화주시기 바랍니다.

翻訳サービスが必要な方は、会議の48時間前までに(626) 931-7300 内線 7204のエグゼクティブディレクター事務所にご連絡ください。

إن كنت بحاجة إلى خدمات ترجمة، برجاء الاتصال بالمدير التنفيذي للمكتب على رقم (626) 931-7300 (الرقم الداخلي 7204) قبل الاجتماع بـ 48 ساعة على الأقل.

Եթե Ձեզ թարգմանչական ծառայությունների են հարկավոր, հանդիպումից առնվազն 48 ժամ առաջ խնդրում ենք զանգահարել Գործադիր տնօրենի գրասենյակ՝ (626) 931-7300 լրացուցիչ՝ 7204 հեռախոսահամարով:

ប្រសិនបើលោកអ្នកស្នើសុំសេវាកម្មបកប្រែភាសា សូមទាក់ទងមកកាវិយាល័យនាយកប្រតិបត្តិ តាមលេខទូរស័ព្ទ៖ (626) 931-7300 លេខបញ្ជូនបន្ត 7204 ដែលមានរយៈពេលយ៉ាងតិច 48 ម៉ោង មុនពេលកិច្ចប្រជុំ។

در صورت نیاز به خدمات ترجمه، لطفاً حداقل 48 ساعت قبل از جلسه ملاقات با مدیر اجرایی دفتر به شماره (626) 931-7300 داخلی 7204 تماس حاصل فرمایید.

หากคุณต้องการบริการการแปลภาษากรุณาติดต่อสำนักงานผู้อำนวยการบริหารที่ (626) 931-7300 ต่อ 7204, อย่างน้อย 48 ชั่วโมงก่อนที่จะมีการประชุม



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7. FISCAL YEAR 2019-2020 COMPREHENSIVE ANNUAL FINANCIAL AUDIT REPORT RESULTS

Recommended Action: Receive and file the Fiscal Year 2019-2020 financial and compliance audit results. The Comprehensive Annual Financial Report (CAFR) including the auditor's opinions, has been provided for you as a separate attachment.

8. ELECTION RESULTS SUMMARY

Recommended Action: Receive and file the Election Results Summary for the November 3, 2020 General Election.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Executive Director's office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

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9. EXECUTIVE AND GOVERNING BOARD MEETING SCHEDULE FOR 2021

Recommended Action: Receive and file an update on the Executive and Governing Board Meeting Schedule for 2021.

10. PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP)

Recommended Action: Receive and file an update on Foothill Transit's Public Transportation Agency Safety Plan (PTASP).

11. INCIDENT COMMUNICATIONS POLICY

Recommended Action: Receive and file an update on Foothill Transit's Incident Communications Policy.

12. CONTINUED PUBLIC COMMENT

This time is reserved for those members of the public who were unable to speak earlier in the agenda because of the 30-minute time restriction.

13. CHIEF EXECUTIVE OFFICER COMMENT

14. GOVERNING BOARD MEMBER COMMENT

15. ADJOURNMENT

**The next meeting of the Governing Board
is scheduled for
Friday, January 29, 2021 at 7:45 a.m.**



Foothill Transit

**STATEMENT OF PROCEEDINGS FOR THE
REGULAR MEETING OF THE
FOOTHILL TRANSIT GOVERNING BOARD
TELECONFERENCE VIA ZOOM**

**FOOTHILL TRANSIT ADMINISTRATIVE OFFICE
2ND FLOOR BOARD ROOM
100 S. VINCENT AVENUE
WEST COVINA, CALIFORNIA 91790**

**Friday, October 30, 2020
7:45 a.m.**

1. CALL TO ORDER

The meeting was called to order by Chair Sternquist at 7:49 a.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Sternquist.

3. ROLL CALL

Roll call was taken by Christina Lopez, Board Secretary.

Present: Member Corey Calaycay, Member Rick Crosby, Member Robert Torres, Member Emmett Badar, Member Andrew Rodriguez, Member Edward Alvarez, Member Gary Boyer, Member Albert Ambriz, Member Dario Castellanos, Member Roger Chandler, Member Richard Barakat, Member Tzeitel Paras-Caracci, Member Becky Shevlin, Member Margaret McAustin, Member Fernando Vizcarra, Member Steve Tye, Member Cory Moss, Member Hector Delgado, Member Sam Pedroza, Member Jimmy Lin, Member Cynthia Sternquist

Absent: Member Paul Hernandez, Member Jorge Marquez, Member Jessica Ancona, Member Valerie Munoz

4. APPROVAL OF AGENDA

Staff requested that Item 8, Insurance Program Update be presented prior to Item 7, L.A. Metro Fareless Initiative.

Motion by Member Badar, second by Member Chandler, the agenda was approved as revised.

5. REVIEW & APPROVAL OF THE MINUTES

Approval of the minutes for the Governing Board Meeting of September 25, 2020.

Motion by Vice Chair Calaycay, second by Member Shevlin, the minutes for the Regular Meeting of September 25, 2020 were approved. Motion carried 21-0.

6. PUBLIC COMMENT

Ibrahima Toure, Transdev Transit Vice President Southwest Region, addressed the Governing Board. He provided updates on activities Transdev and Foothill Transit staff are working on to help combat COVID-19 at the Arcadia/Irwindale Operations and Maintenance Facility.

Members of the public listed below addressed the Governing Board regarding concerns related to working conditions at the Foothill Transit Arcadia Operations and Maintenance Facility operated by Transdev, and contract negotiations between Transdev and the ATU.

John Rodriguez	Ronnie Burt	Arturo Aguilar
Michael Cornelius	Lorence Bradford	Gigi Gamble
Al Muñoz	Armando Barbosa	Renee Jamison
John Courtney	Lupe Carranza	Shane Weinstein
Anne Marie Ruiz	Miguel Navarro	Aaron Williams
Yolanda Moreno	James Lindsey	Eric Ureña
Yvette Trujillo	Frank Molina	Cesar Buenaventura
Elise Acosta	Miguel Navarro, Jr.	Deborah McCullah
DeLana Gibbons		

6.1. Chief Executive Officer Response to Public Comment

Mr. Barnes stated that safety is always a number one priority. Foothill Transit has worked closely with the contractors and unions to help create the safest environment. Under Foothill Transit's business model, Foothill Transit employs the contractor and does not negotiate directly. It is ultimately the responsibility of the contractor to negotiate wages and benefits.



7. L.A. METRO FARELESS INITIATIVE

Recommendation: Receive and file the update on the L.A. Metro Fareless Initiative.

Michelle Lopes Caldwell, Director of Finance and Treasurer, Introduced doreen Morrissey, LA Metro Office of Extraordinary Innovation, who presented this item.

Ms. Morrissey provided an overview of the LA Metro Fareless System Initiative. An ad hoc committee consisting of regional transportation providers has been set-up to discuss solutions and challenges. Chief Executive Officer Doran Barnes and Director of Finance and Treasurer Michelle Caldwell serve on the committee.

The LA Metro taskforce is scheduled to present their findings to the Metro CEO in December. Results of the study are tentatively scheduled to be presented to the Metro Board in January 2021.

Received and filed.

8. INSURANCE PROGRAM UPDATE

Recommendation: Receive and file this update to the Foothill Transit insurance program.

Michelle Lopes Caldwell, Director of Finance and Treasurer, introduced Mr. Bob Kuhn, Broker, Alandale Insurance, who presented the item.

Mr. Kuhn provided a review of Foothill Transit's insurance coverages. He presented an overview of the Directors and Officers, general liability, earthquake, workers' compensation, and automobile insurance coverages.

Received and filed.

9. UNION STATION PATSAOURAS PLAZA BUSWAY STATION

Recommendation: Receive and file this report on the Union Station Patsaouras Plaza Busway Station.

Joe Raquel, Director of Planning, presented this item.

Mr. Raquel presented an overview of the newly constructed Union Station



Patsaouras Plaza Busway Station. Once the station opens, the current stops at Alameda Street/El Monte Busway and inside the Patsaouras Plaza will be closed. Riders will be directed to use the new station or use stops along Los Angeles Street. The station is scheduled to open on Sunday, November 1, 2020.

Received and filed.

10. **ELECTION SUMMARY**

Recommendation: Receive and file the Election Summary for the November 3, 2020 General Election.

The board report for this item was received and filed. A presentation on the election results will be presented at the December 2020 meeting.

11. **PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP)**

Recommendation: Receive and file an update on Foothill Transit's Public Transportation Agency Safety Plan (PTASP).

The board report for this item was received and filed. A presentation on this item will be made at the December 2020 meeting.

12. **CHIEF EXECUTIVE OFFICER COMMENT**

Comments by Mr. Doran J. Barnes, Executive Director, Foothill Transit.

Mr. Barnes reported the following:

- Transit service plans are in place in case there are any activities related to the election.
- The Executive Board will consider adopting the 2021 meeting schedule at their meeting. The schedule will be presented at the December 2020 Governing Board Meeting.
- The double deck bus is scheduled to arrive on U.S. shores in late November 2020.
- COVID-19 remains a major area of emphasis. Staff continues to implement all the safeguards to help prevent exposure and provide essential services.
- Masks and mugs were delivered to the Governing Board.



13. **BOARD MEMBER COMMENT**

Comments by Members of the Foothill Transit Governing Board.

- Chair Sternquist thanked Member McAustin for her service on the Foothill Transit Governing Board. Member McAustin stated she's enjoyed her time on the Governing Board.
- Member Lin asked if there were provisions in the operations contracts that provide a review or measures for terminating the contract. Mr. Barnes reported that there are a wide range of measures, and there is a team responsible for managing the contracts. The challenge is that Foothill Transit is not the employer and these matters need to be handled very delicately.

14. **ADJOURNMENT**

Adjournment for the October 30, 2020 Foothill Transit Governing Board Meeting.

There being no further business, the Foothill Transit Governing Board meeting adjourned at 9:57 a.m.



December 18, 2020

To: Governing Board

Subject: **Fiscal Year 2019-2020 Comprehensive Annual Financial Audit Report Results**

Recommendation

Receive and file the Fiscal Year 2019-2020 financial and compliance audit results. The Comprehensive Annual Financial Report (CAFR) including the auditor's opinions, has been provided for you as a separate attachment.

Analysis

The accounting firm of Crowe LLP has completed their audit of Foothill Transit's balance sheet as of June 30, 2020 along with the related statements of revenues, expenses, and cash flow. The audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. This audit was performed for the purpose of forming an opinion regarding Foothill Transit's financial statements.

In addition to the financial audit, Crowe LLP completed an audit of Foothill Transit's compliance with the Single Audit (Office of Management and Budget Circular [OMB] A-133 guidelines mandated by our receipt of federal funds), the Transportation Development Act, and the rules and regulations for the Los Angeles County Metropolitan Transportation Authority. The purpose of these audits is to determine compliance with all laws, regulations, contracts, and grants, including the Transportation Development Act as summarized in the "Guidelines on Auditing for Conformance" which is published by the Southern California Association of Governments.

Crowe LLP found no deficiencies for any of the above audits. This includes no recommendations or adjustments to Foothill Transit's financial statements for the fiscal year ended June 30, 2020, to properly reflect the financial position and changes in its financial position. This is the 17th consecutive year that Foothill Transit has received a "clean" audit finding for its financial statements.

Crowe LLP will present a review of the audit results and present the final Independent Financial and Single Audit Reports to the Governing Board on Friday, December 14, 2020.



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FY2019-2020 Comprehensive Annual Financial Report
Page 2

A summary of the financial activities are as follows:

Total farebox revenue	\$	11,926,027
Other revenue		<u>587,072</u>
Total operating revenues		12,513,099
Operating expense before depreciation		97,979,559
Depreciation expense		<u>25,064,956</u>
Total operating expense		123,044,515
Operating Loss		<u>(110,531,416)</u>
Non-operating revenues (expenses)		87,721,477
Other Income (expense) net		(343,302)
Loss before capital contributions		(23,153,241)
Capital contributions		26,540,207
Change in net assets		3,386,966
Net assets at beginning of year		<u>261,751,298</u>
Net assets at end of year	\$	<u>265,138,264</u>
Farebox recovery ratio		12.17%



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FY2019-2020 Comprehensive Annual Financial Report
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During FY2019-2020, Foothill Transit's net position increased \$3,386,966 from the previous year resulting primarily from the capital asset acquisitions of \$12,837,376 and disposals of \$8,328,963, exclusive of depreciation. The capital additions were funded by federal, state, and local grants.

In FY2019-2020, operating expenses before depreciation increased \$1,502,574 (1.55%) over the previous year. This increase was attributed primarily to increases for purchased transportation and salaries and benefits.

Foothill Transit's assets exceeded its liabilities at June 30, 2020, by \$265,138,264 (net position).

A copy of the audit report is attached for your review.

Sincerely,

Michelle Lopes Caldwell
Director of Finance & Treasurer

Doran J. Barnes
Executive Director

Attachment



Foothill Transit
Going Good Places

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Years Ended June 30, 2020 and 2019



Foothill Transit

West Covina, California

Comprehensive Annual Financial Report
For the Fiscal Years Ended June 30, 2020 and 2019

Prepared by Foothill Transit Finance Department

FOOTHILL TRANSIT
(A JOINT POWERS AUTHORITY)

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F210 **498** DOWNTOWN LOS ANGELES

INTRODUCTION

EXECUTIVE BOARD MEMORANDUM

To: **Executive Board**

December 18, 2020

Subject: **Fiscal Year 2019/2020 Comprehensive Annual Financial Report**

Enclosed is the Comprehensive Annual Financial Report of Foothill Transit for the fiscal year ended June 30, 2020. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with Foothill Transit. To the best of management's knowledge and belief, the information presented is accurate in all material aspects and includes all disclosures necessary to enable the reader to gain an understanding of Foothill Transit's financial activities.

In addition to the financial audit, Foothill Transit is required to conduct an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control structure and compliance with applicable laws and regulations are included with this report.

Independent Audit. The accounting firm of Crowe LLP was selected to perform an annual independent audit of Foothill Transit's financial statements. The goal of the independent audit is to provide reasonable assurance that Foothill Transit's financial statements for the fiscal year ended June 30, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that Foothill Transit's financial statements for fiscal year ended June 30, 2020, are fairly presented in conformity with generally accepted accounting principles (GAAP). The audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related Uniform Guidance. The auditor's report on the basic financial statements and schedules, including reports specifically related to the single audit, are included in this document.

Management's Representations. This report consists of management representations concerning Foothill Transit's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, Foothill Transit's management has established a comprehensive internal control framework designed to ensure that the assets of Foothill Transit are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefit likely to be derived; and (2) the valuation of the costs and benefits requires estimates and judgments by management. As

management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Management's Discussion and Analysis. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A that begins on page 4, and should be read in conjunction with it.

Reporting Entity. Foothill Transit, a joint powers authority of 22 cities and the County of Los Angeles, is a public transit provider located in the San Gabriel and Pomona Valleys in Los Angeles County. Foothill Transit operates a fleet of 375 buses transporting 9.8 million passengers with 12.3 million vehicle service miles. The entire fleet is equipped with bicycle racks and is wheelchair accessible and 100 percent of the buses are powered by either compressed natural gas (CNG) or electricity.

Foothill Transit's investment transactions are conducted in conformance with internal investment policies and the State of California Government Code. The Executive Board has assigned the responsibility for investing to the Director of Finance and Treasurer.

The Governing Board approves the Business Plan and Budget by June 30th of each fiscal year. The approved budget establishes the legal level of appropriation. The budget includes operating and capital funding to implement the policy directions contained in the previously Board adopted plans such as the Short Range Transportation Plan (SRTP).

Local Economy. Foothill Transit provides service in the San Gabriel and Pomona Valleys located in Los Angeles County (LA County). LA County and its 88 cities represent a dynamic, multicultural economy with a diverse workforce and top universities and colleges throughout. According to the LA Economic Development Corporation (LAEDC) LA County is the entertainment, manufacturing, and international trade capital of the US. With nearly \$544 billion in annual output, LA County ranks among the world's largest economies.

The transportation and trade industry is very extensive and is one of the prominent industries in LA County. International trade continues to play an important role in the economy. The San Pedro Bay ports of Los Angeles and Long Beach and Los Angeles International Airport are the largest container ports and the busiest air cargo terminals in the nation, respectively. Transportation improvements are focused on alleviating congestion problems and improving air quality in these important corridors. Over 160,000 LA County workers support this international trade center.

One of the biggest economic changes seen during the first nine months of FY2019/2020 budget year was the increase in new and used car sales and leases. According to the California New Car Dealers Association, "The combination of very low fuel prices, high demand for light trucks and strong consumer affordability..." were the major reasons for the unprecedented increases. While indicators of strong economic growth, this change led to decreased public transportation ridership.

The last three months of FY2019/2020 were severely impacted by the worldwide COVID-19 pandemic. In March 2020, Foothill Transit implemented rear door boarding and discontinued fare collection to reduce interactions between customers and bus operators. After LA County

Foothill Transit Comprehensive Annual Financial Report

implemented “stay at home orders”, Foothill Transit reduced all commuter express service to meet reduced demand. These actions impacted the key performance and financial indicators for FY2019/2020.

The majority of Foothill Transit’s funding is provided from local sales taxes. Although there was a modest increase in sales tax collections during FY2019/2020, the budget was prepared with revenues, service, and fares at current levels to balance the budget.

New capital acquisitions and/or construction projects and those carried forward from the previous year, include park and ride parking structure(s), new replacement CNG buses and zero emission electric buses. The park and ride facilities will allow greater utilization of current bus service potentially increasing fare revenue. The purchase of replacement CNG buses will reduce operational expenses, and the zero emission buses will reduce maintenance costs and eliminate all emissions currently attributed to compressed natural gas buses. Sufficient funding (grants) has been dedicated for the completion of these projects.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Foothill Transit for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the fourteenth consecutive year that Foothill Transit has received this prestigious award. This certificate of award is the highest form of recognition for excellence in state and local government financial reporting.

In order to receive this award, Foothill Transit must publish an easily readable and well organized comprehensive financial report whose content conforms to the program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement for Excellence in Financial Reporting is valid for a one year period only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program’s requirements and are submitting it to determine eligibility for continued recognition.

Acknowledgments. The preparation of this report would not have been possible without the efficient and dedicated service of the entire Foothill Transit Team. We wish to express our sincere appreciation for the hard work and long hours that contributed to the preparation of this report. Appreciation is also extended to the Executive Board and the various team members for their cooperation and dedicated service that made it possible to produce a report of the highest standards.

Sincerely,



Michelle Lopes Caldwell
Director of Finance and Treasurer



Doran Barnes
Executive Director

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Foothill Transit Leadership

Governing Board

CLUSTER 1

Claremont

Councilmember Corey Calaycay
Alternate: Councilmember Ed Reece

La Verne

Councilmember Rick Crosby
Alternate: Councilmember Tim Hepburn

Pomona

Councilmember Robert S. Torres
Alternate: Mayor Tim Sandoval

San Dimas

Mayor Emmett Badar
Alternate: Councilmember John Ebner

Walnut

Councilmember Andrew Rodriguez
Alternate: Councilmember Nancy Tragarz

CLUSTER 2

Azusa

Councilmember Edward J. Alvares
Alternate: Mayor Pro Tem Uriel Macias

Baldwin Park

VACANT
Alternate: Mayor Pro Tem Paul C. Hernandez

Covina

Mayor Pro Tem Jorge A. Marquez
Alternate: Councilmember John C. King

Glendora

Councilmember Gary Boyer
Alternate: Mayor Michael Allawos

Irwindale

Mayor Albert Ambriz
Alternate: Mayor Pro Tem Larry Burrola

West Covina

Councilmember Dario Castellanos
Alternate: Mayor Tony Wu

CLUSTER 3

Arcadia

Mayor Roger Chandler
Alternate: Mayor Pro Tem Sho Tay

Bradbury

Councilmember Richard G. Barakat
Alternate: Mayor Pro Tem D. Montgomery Lewis

Duarte

Councilmember Tzeitel Paras-Caracci
Alternate: Councilmember Toney Lewis

Monrovia

Councilmember Becky Shevlin
Alternate: VACANT

Pasadena

Councilmember Margaret McAustin
Alternate: Mayor Terry Tornek

Temple City

Councilmember Fernando Vizcarra
Alternate: Councilmember William Man

CLUSTER 4

El Monte

Councilmember Jessica Ancona
Alternate: Mayor Pro Tem Maria Morales

Diamond Bar

Mayor Steve Tye
Alternate: Mayor Pro Tem Nancy A. Lyons

Industry

Mayor Cory C. Moss
Alternate: VACANT

La Puente

Councilmember Valerie Muñoz
Alternate: Mayor Pro Tem Violeta Lewis

South El Monte

Councilmember Hector Delgado
Alternate: Mayor Gloria Olmos

CLUSTER 5

County of Los Angeles

Jimmy Lin
(Representing Supervisor Janice Hahn)

Cynthia Sternquist
(Representing Supervisor Kathryn Barger)

Sam Pedroza
(Representing Supervisor Hilda Solis)

Executive Board

Chair

Cynthia Sternquist
Cluster 5 - County of Los Angeles

Vice Chair

Corey Calaycay
Cluster 1 - Claremont

Board Member

Gary Boyer
Cluster 2 - Glendora

Board Member

Becky Shevlin
Cluster 3 - Monrovia

Board Member

Cory C. Moss
Cluster 4 - Industry

Executive Board Alternates

Cluster 1 - San Dimas

Emmett Badar

Cluster 2 - West Covina

Dario Castellanos

Cluster 3 - Duarte

Tzeitel Paras-Caracci

Cluster 4 - La Puente

Valerie Muñoz

Cluster 5 - County of Los Angeles

Jimmy Lin

Senior Management

Executive Director

Doran J. Barnes

Deputy Executive Director

Kevin Parks McDonald

Director of Customer Service and Operations

LaShawn King Gillespie

Director of Maintenance and Vehicle Technology

Roland Cordero

Director of Marketing and Communications

Felicia Friesema

Director of Information Technology

Donald Luey

Director of Procurement

Christopher Pieper

Director of Finance and Treasurer

Michelle Lopes Caldwell

Director of Planning

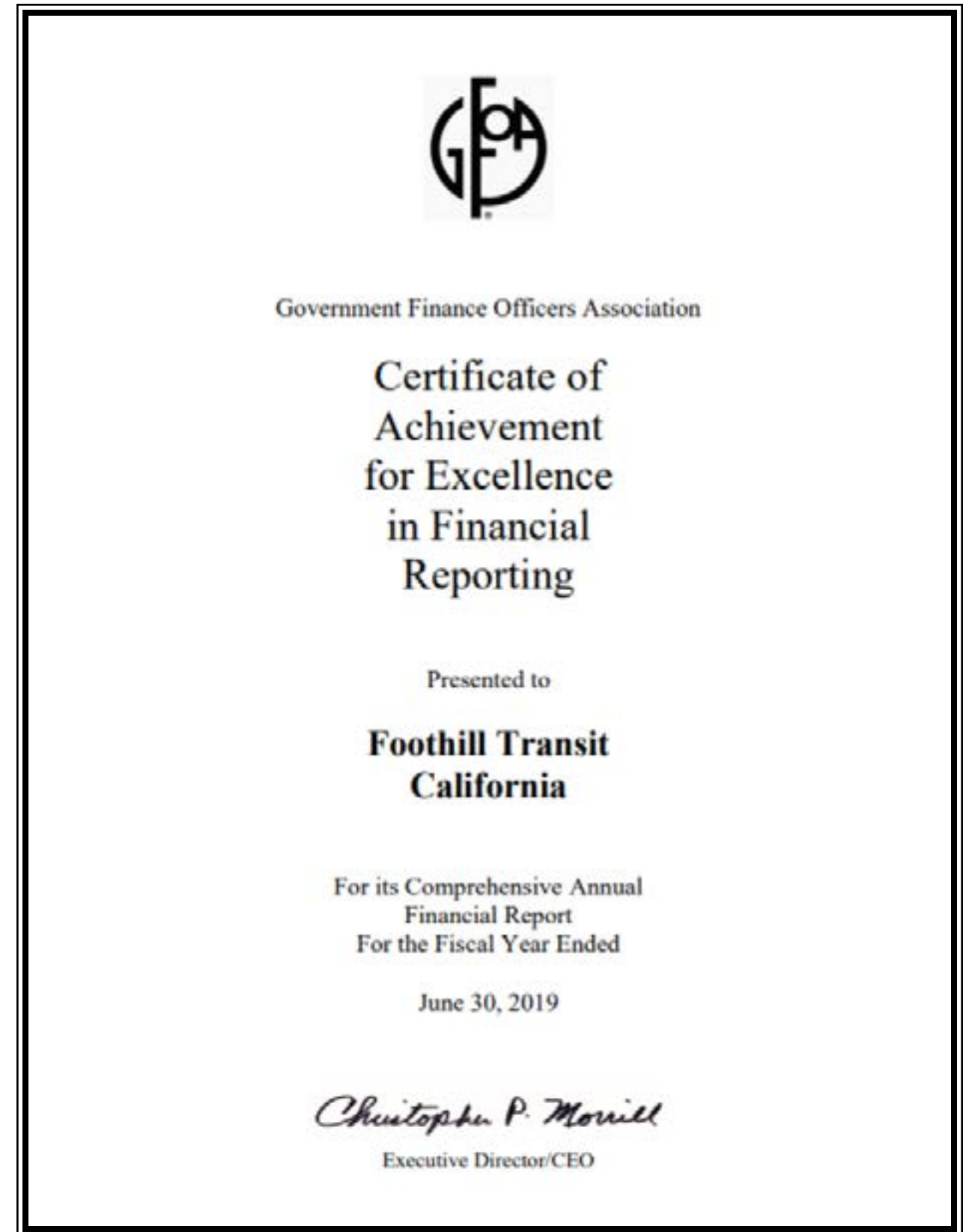
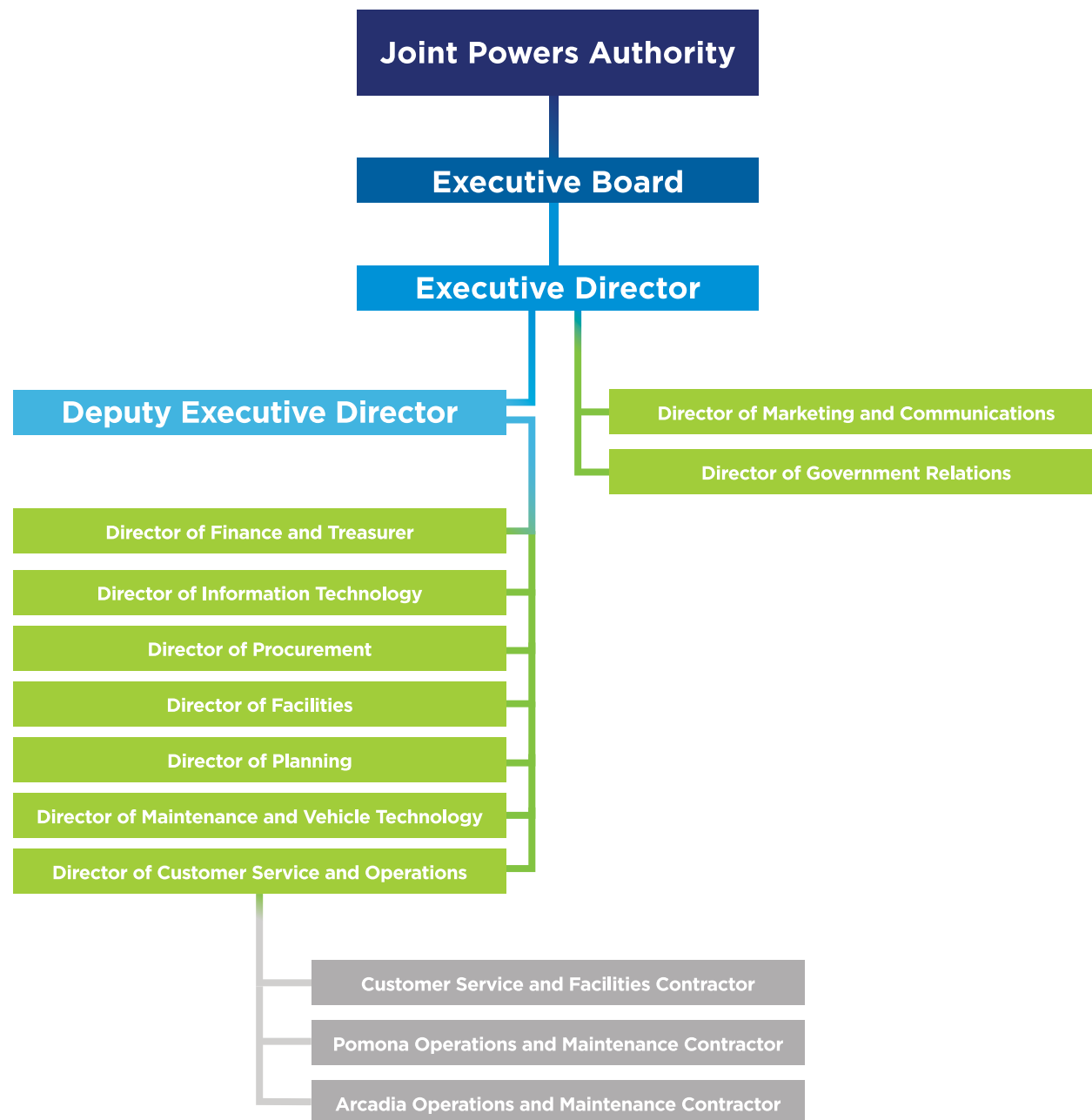
Joseph Raquel

Director of Facilities

Sharlane Bailey

Director of Government Relations

David Reyno





FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, California

Report on the Financial Statements

We have audited the accompanying financial statements of Foothill Transit, A Joint Powers Authority (Foothill Transit) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Foothill Transit's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 Foothill Transit as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Foothill Transit's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the introduction and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introduction 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 4, 2020 on our consideration of Foothill Transit's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Foothill Transit's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Foothill Transit's internal control over financial reporting and compliance.


Crowe LLP

Los Angeles, California
December 4, 2020

Management’s Discussion And Analysis

JUNE 30, 2020 AND 2019

The following section of the annual financial report of Foothill Transit includes an overview and analysis of Foothill Transit’s financial position and activities for the years ended June 30, 2020 and 2019. This discussion and analysis should be considered in conjunction with the basic financial statements which it accompanies. These statements are the responsibility of the management of Foothill Transit.

INTRODUCTION TO THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB). GASB is the accepted standard- setting body for establishing governmental accounting and financial reporting principles. Foothill Transit presents its basic financial statements using the economic resources measurement focus and accrual basis of accounting. As a special purpose government engaged in business-type activity, Foothill Transit’s basic financial statements include Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The notes to financial statements, supplementary information, and required supplementary information, including this section, support these statements. All sections must be considered together to obtain a complete understanding of the financial position and results of operations of Foothill Transit.

Statement of Net Position: The Statement of Net Position includes all assets and liabilities of Foothill Transit, with the difference between the two reported as net position. Assets and liabilities are reported on an accrual basis at cost or fair value, as applicable, as of June 30, 2020 and 2019. This statement also identifies major categories of restrictions on the net position of Foothill Transit.

Statement of Revenues, Expenses, and Changes in Net Position: The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred by Foothill Transit during the years ended June 30, 2020 and 2019, on an accrual basis.

Statement of Cash Flows: The Statement of Cash Flows presents the changes in Foothill Transit’s cash and cash equivalents for the years ended June 30, 2020 and 2019, summarized by operating, capital and related financing, non-capital financing, and investing activities. The statement is prepared using the direct method of reporting cash flows and, therefore, presents gross rather than net amounts for the years’ activities.

Foothill Transit’s basic financial statements can be found on pages 10 through 12 of this report. The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes can be found on pages 13 through 26 of this report.

FINANCIAL HIGHLIGHTS

- During fiscal year 2019–2020, Foothill Transit’s net position increased \$3,386,966 (1.29%) from the previous year resulting primarily from the capital asset acquisitions of \$12,837,376 and disposals of \$8,328,963, exclusive of depreciation. The capital additions were funded by federal, state, and local grants.

- In fiscal year 2019–2020, operating expenses before depreciation increased \$1,502,574 (1.55%) over the previous year. This increase was attributed primarily to increases for purchased transportation and salaries and benefits.
- Foothill Transit’s assets exceeded its liabilities at June 30, 2020, by \$265,138,264 (net position).

CONDENSED STATEMENT OF NET POSITION

	2020	2019	2018
Non-Capital assets	\$ 119,179,873	\$ 112,104,942	\$ 113,012,748
Capital assets, net	225,071,295	224,058,977	212,589,926
Total assets	344,251,168	336,163,919	325,602,674
Current liabilities	14,897,241	12,138,484	14,958,907
Noncurrent liabilities	64,215,663	62,274,173	63,433,587
Total liabilities	79,112,904	74,412,621	78,392,494
Net position:			
Net investment in capital assets	223,606,295	224,058,977	210,364,476
Unrestricted:			
Board designated - capital projects	41,531,969	37,692,321	36,845,704
Total net position	\$ 265,138,264	\$ 261,751,298	\$ 247,210,180

See discussion below

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Foothill Transit’s assets exceeded liabilities by \$265,138,264 as of June 30, 2020, and by \$261,751,298 as of June 30, 2019. Most of this is attributable to Foothill Transit’s \$223,606,295 and \$224,058,977 net investment in capital assets (property, plant, and equipment) as of June 30, 2020, and 2019.

Foothill Transit uses capital assets to provide transportation services; consequently, these assets are not available for future spending. These capital assets were procured with federal, state, and local grant funds. The remaining unrestricted net position at June 30, 2020, and 2019 totaled \$41,531,969 and \$37,692,321 respectively representing amounts that are designated by the Board for future capital projects.

Foothill Transit’s net position increased by \$3,386,966 during fiscal year 2019–2020 and by \$14,541,118 during fiscal year 2018–2019. These increases are primarily due to the addition of capital assets funded with capital grant revenues.

**CONDENSED SUMMARY OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

	2020	2019	2018
Operating revenues - farebox and bus pass	\$ 11,926,027	\$ 16,079,596	\$ 16,343,392
Operating revenues - other	587,072	1,241,842	1,344,772
Operating grants	84,223,911	78,569,945	74,676,246
Other revenues (expenses)	3,497,566	4,503,405	(389,315)
Total revenues	100,234,576	100,150,532	91,975,095
Operating expenses:			
Operating expenses before depreciation	98,322,861	96,820,287	93,218,066
Depreciation	25,064,956	24,835,228	26,316,229
Total operating expenses	123,387,817	121,655,515	119,534,295
Loss before capital grants	(23,153,241)	(21,504,983)	(27,559,200)
Capital grants	26,540,207	36,046,101	27,778,636
Change in net position	3,386,966	14,541,118	219,436
Net position at the beginning of the year	261,751,298	247,210,180	246,990,744
Net position at the end of the year	\$ 265,138,264	\$ 261,751,298	\$ 247,210,180

REVENUES

Operating revenues in fiscal year 2020 decreased \$4,808,339 (27.06%) over 2019 and fiscal year 2019 operating revenues decreased \$366,726 (2.07%) over 2018. The decrease in operating revenue is a result of decline in ridership and fare collection resulting from the COVID-19 pandemic. Operating grant revenues increased \$5,898,222 and capital grant revenues decreased \$9,505,894 in fiscal year 2020. Operating grant revenues increased \$3,649,443 and capital grant revenues increased \$8,267,465 in fiscal year 2019. These grant revenues subsidized Foothill Transit's operating and capital expenses.

Because Foothill Transit requires subsidies to fund operating and capital expenses in excess of operating revenues, any increases or decreases in unfunded expenses will also require an increase or decrease in related grant funding. Capital grant contributions in fiscal year 2020 resulted in the acquisition of 10 CNG buses, bus electric chargers, construction of the Mt. San Antonio College Transit Center and bus repair and rehabilitation. The capital grant contributions in fiscal year 2019 were 34 CNG buses, construction of the Covina Transit Center and bus repair and rehabilitation.

Total operating expenses before depreciation increased \$1,502,574 (1.55%) in fiscal year 2020 and \$3,602,221 (3.86%) in fiscal year 2019. In fiscal year 2020, Purchased Transportation costs increased \$1,828,833 due to rate increases of operating contracts for both the Arcadia and Pomona Yards (see Note 7).

CAPITAL ASSETS

As of June 30, 2020, and 2019, Foothill Transit had \$225,071,295 and \$224,058,977 invested in capital assets (net of accumulated depreciation), respectively. This represents a 0.45% increase in fiscal year 2020 and a 5.39% increase in fiscal year 2019. These assets include land, facilities, transit buses, other operating equipment, vehicles, and furniture and fixtures identified below. Depreciation expense increased \$229,728 in fiscal year 2020 and decreased \$1,481,001 in fiscal year 2019, which is attributable to the age of the bus fleet.

	2020	2019	2018
Land	\$ 14,137,570	\$ 14,137,570	\$ 14,137,570
Construction in progress	34,938,273	21,269,476	10,142,910
Facilities	51,733,091	52,420,273	57,264,916
Transit buses	120,363,644	131,438,334	126,624,016
Other operating equipment	3,688,745	4,488,193	4,160,128
Vehicles	159,373	237,830	169,208
Furniture and fixtures	50,599	67,301	91,178
	\$ 225,071,295	\$ 224,058,977	\$ 212,589,926

All assets have been purchased with federal, state, or local grants awarded to Foothill Transit. Significant capital projects with activity during fiscal years 2020 and 2019 include the following:

- Bus Fleet Replacement
- Mt. San Antonio College Transit Center
- Bus Repair and Rehabilitation
- Bus Electric Chargers

More detailed information about Foothill Transit's capital assets can be found in Note 6 in the accompanying notes to financial statements.

LONG TERM DEBT

As of June 30, 2020, 2019, and 2018, Foothill Transit had no long-term debt.

FURTHER INFORMATION

This report has been designed to provide a general overview of Foothill Transit's financial condition and related issues. For those with an interest in Foothill Transit's finances, inquiries should be directed to the Director of Finance and Treasurer, 100 South Vincent Avenue, Suite 200, West Covina, CA 91790.

BASIC FINANCIAL STATEMENTS

Statements Of Net Position June 30, 2020 And 2019

ASSETS	2020	2019
Current assets:		
Cash and cash equivalents	\$ 26,751,988	\$ 47,811,665
Due from other governmental agencies	8,329,928	11,589,643
Receivables	82,853	1,574,736
Interest receivable	170,765	178,192
Prepaid items	1,432,356	4,756,603
Total current assets	36,767,890	65,910,839
Noncurrent assets:		
Cash and cash equivalents	78,142,918	17,367,300
Restricted cash and cash equivalents	2,623,399	3,167,219
Investments	995,396	24,943,389
Note receivable	650,270	716,195
Capital assets - nondepreciable	49,075,843	35,407,046
Capital assets - depreciable	425,744,707	421,236,294
Less accumulated depreciation and amortization	249,749,255	232,584,363
Total noncurrent assets	307,483,278	270,253,080
Total assets	344,251,168	336,163,919
Liabilities and net position		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 14,897,241	\$ 12,138,484
Unearned revenue	26,751,988	47,811,665
Total current liabilities	41,649,229	59,950,149
Noncurrent liabilities:		
Unearned revenue	37,463,675	14,462,472
Total liabilities	79,112,904	74,412,621
Net position:		
Net investment in capital assets	223,606,295	221,655,610
Unrestricted	41,531,969	40,095,688
Total net position	265,138,264	261,751,298
Total liabilities and net position	\$ 344,251,168	\$ 336,163,919

See notes to financial statements

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended June 30, 2020 and 2019

	2020	2019
Operating revenues:		
Farebox and bus pass	\$ 11,926,027	\$ 16,079,596
Special services	418,110	534,612
Dial-A-Ride	-	511,739
Other revenue	168,962	195,491
Total operating revenue	12,513,099	17,321,438
Operating expenses:		
Operating expenses before depreciation:		
Purchased transportation	76,657,210	74,828,377
Fuel costs	6,334,538	7,100,807
Salary and benefits	7,498,942	6,898,462
Special services	343,302	393,277
Dial-A-ride	-	498,697
Professional services	3,320,881	3,477,230
Advertising	544,026	445,698
General and administrative	3,656,962	3,177,739
Operating expenses	98,322,861	96,820,287
Depreciation expense	25,064,956	24,835,228
Total operating expenses	123,387,817	121,655,515
Operating loss	(110,874,718)	(104,334,077)
Non-operating revenues (expenses):		
Operating grants	84,223,911	78,325,689
Interest income	1,169,000	1,094,748
Net decline in fair value of investments	34,008	513,032
Property management income	78,928	7,083
Gain on disposal of assets	337,923	71,329
Excise tax refund	2,784,739	2,815,887
General fund Prop A exchange	(2,400,000)	(1,650,000)
Other	1,492,968	1,651,326
Total operating grants and non-operating revenue (expenses)	87,721,477	82,829,094
Loss before capital contributions	(23,153,241)	(21,504,983)
Capital contributions	26,540,207	36,046,101
Change in net position	3,386,966	14,541,118
Net position at beginning of year	261,751,298	247,210,180
Net position at end of year	\$ 265,138,264	\$ 261,751,298

See notes to financial statements

STATEMENTS OF CASH FLOWS Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Receipts from customers	\$ 8,849,908	\$ 16,129,915
Payments for transit operations	(76,657,909)	(74,828,378)
Payments for fuel costs	(6,334,539)	(7,100,808)
Payments to employees	(7,498,942)	(6,763,756)
Payments to other vendors	654,899	(14,526,974)
Net cash from operating activities	(80,986,583)	(87,090,001)
Cash flows from non-capital financing activities		
Operating grants received	88,421,320	77,927,778
Receipts for excise tax credit	2,784,739	2,815,887
Proceeds from Prop A exchange	800,000	550,000
Proceeds from nonoperating revenue	1,492,968	1,651,326
Net cash from non-capital financing activities	93,499,027	82,944,991
Cash flows from capital and related financing activities:		
Receipts from capital grants	29,499,114	30,150,093
Payments for capital assets	(28,843,613)	(36,317,358)
Proceeds from sale of capital assets	766,820	71,329
Proceeds from rental property	78,928	7,080
Net cash from capital and related financing activities	1,501,249	(6,088,856)
Cash flows from investing activities:		
Purchase of investments	-	(1,963,659)
Proceeds from maturing investments	23,965,992	3,486,000
Investment earnings	1,192,436	442,255
Net cash from investing activities	25,158,428	1,964,596
Net increase in cash and cash equivalents	39,172,121	(8,269,270)
Cash and cash equivalents at beginning of year	68,346,184	76,615,454
Cash and cash equivalents at end of year	\$ 107,518,305	\$ 68,346,184
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (110,874,718)	\$ (104,334,077)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	(25,064,956)	(1,163,717)
Changes in operating assets and liabilities:		
Change in due from other governmental agencies	(5,092,288)	(27,806)
Change in receivables	1,429,096	(3,401,293)
Change in prepaid items	3,324,247	(2,998,336)
Change in accounts payable and accrued liabilities	5,162,124	(17,244,076)
Total adjustments	29,888,135	17,244,076
Net cash from operating activities	\$ (80,986,583)	\$ (87,090,001)
Non-cash investing and financing activities:		
Capital asset purchased in account payable	\$ 1,465,000	\$ 2,403,365
Capital grants include in due from other governmental agencies	\$ 1,838,722	\$ 2,581,328
Change in fair value of investments	\$ 34,008	\$ 513,032

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS June 30, 2020 and 2019

NOTE 1: ORGANIZATION

Foothill Transit was established in 1988 as a governmental entity under a joint exercise of powers agreement and currently includes 22 cities in the San Gabriel Valley and Pomona Valleys and the County of Los Angeles. Foothill Transit's governing board membership includes one city council member and one alternate from each of the 22 cities in Foothill Transit's service area as well as three appointed representatives for the County of Los Angeles. A five-member Executive Board governs Foothill Transit. Four elected officials representing four clusters of cities, and a fifth member elected by the appointed Los Angeles County representatives, comprise Foothill Transit's Executive Board.

Through its independent service contractors, Foothill Transit operates a fleet of 375 buses from its Arcadia and Pomona, California facilities. Foothill Transit has been authorized by the Regional Transportation Planning Agency, the Los Angeles County Metropolitan Transportation Authority (LACMTA), to plan, operate, and contract for cost-effective public transit services.

Foothill Transit is a joint powers authority managed by a staff of transportation professionals with purchased transportation services provided by independent contractors. Substantially all insurable risks associated with Foothill Transit's operations are covered through these contracts. Foothill Transit is not considered to be a component unit of any other reporting entity.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

The accounting policies of Foothill Transit conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. All of the activities are accounted for as an enterprise fund for financial reporting purposes. Enterprise funds are used to account for activities (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate or capital maintenance, public policy, management control, accountability, for other purposes.

Foothill Transit accounts for its activities using the economic resources measurement focus and the accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they are earned, and expenses are recognized in the period incurred.

b. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

c. Classification of Current and Noncurrent Assets and Liabilities

Foothill Transit considers assets to be current that can reasonably be expected to be realized in cash or sold or consumed within a year. Current liabilities are obligations whose liquidation is reasonably expected to require the use of existing resources properly classifiable as current assets, or the creation of other current liabilities. All other assets and liabilities are classified as noncurrent.

d. Cash and Cash Equivalents

For the statement of cash flows, Foothill Transit considers cash, demand deposits, and investment pools to be cash and cash equivalents. All cash invested in the state investment pool Local Agency Investment Fund (LAIF), is reported at amortized cost. Cash may or may not be restricted as to use, depending upon the specific purposes for which such assets are held.

e. Investments

Foothill Transit reports investment securities and similar assets held for investment purposes at fair value. Changes in the fair value of investments are reported as net appreciation or decline in fair value of investments in the statements of revenues, expenses, and changes in net position.

f. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and are expensed as utilized or incurred.

g. Capital Assets

Capital assets which include property, buses, vehicles, furniture and fixtures, and equipment are defined by Foothill Transit as assets with an initial value exceeding \$500 and having an estimated useful life of more than one year. Capital assets are valued at historical cost. Donated assets are valued at acquisition value at the date of donation. Foothill Transit did not receive any donated capital assets during fiscal years 2020 and 2019.

Capital assets are depreciated over their estimated useful lives using the straight-line method. The following estimated useful lives are used for Foothill Transit's capital assets:

Facility	20 to 31.5 years
Other improvements	3 to 7 years
Transit buses and rehabilitation costs	6 to 14 years
Other operating equipment	3 to 9 years
Vehicles	5 to 7 years
Furniture and fixtures	7 years

h. Compensated Absences

All eligible employees, full and part-time, accrue paid time off (PTO) in accordance with the California Paid Sick Leave requirements. Part-time employees earn one hour of PTO for each 30 hours worked. Full-time employees earn PTO each pay period; the number of hours accrued are according to each employee's years of service. Unused PTO is available to be carried forward or cashed out annually according to the guidelines, and is paid out upon separation.

i. Unearned Revenue

Unearned revenue is composed entirely of TDA, LCTOP and Proposition 1B grant funds which Foothill Transit has received in advance for operations, capital acquisition, or construction but which have not been expended and, therefore, not earned at June 30, 2020, and 2019. A portion of these balances are restricted by the grantor for capital projects.

j. Net Position

Foothill Transit's net position is classified into the following categories:

1. Net Investment in Capital Assets

Capital assets, net of accumulated depreciation and outstanding principal balances of debt, and retainages and accounts payable attributable to the acquisition, construction, or improvement of those assets.

2. Restricted

Net position that has external constraints placed on it by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through contribution provision of enabling legislation.

3. Unrestricted

Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." Unlike the restricted net position, the Board has discretion in determining the use and establishing minimum/maximum balance requirements for the unrestricted cash and investment portion of net position. The Board may at any time change or eliminate amounts established for these purposes. Foothill Transit had unrestricted Board designated net position of \$41,531,969 and \$40,095,688 as of June 30, 2020 and 2019, representing amounts that are designated for future capital projects.

k. Net Position Flow Assumption

Sometimes Foothill Transit will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is Foothill Transit's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

l. Operating and Non-operating Grant Revenues and Expenses

Foothill Transit distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services

in connection with Foothill Transit’s principal ongoing operations. The principal operating revenues are passenger fares charged for transportation services, which are recognized at the time services are performed and revenues pass through fare systems. Operating expenses include the cost of transportation services, maintenance of capital assets and facilities, administrative expenses, and depreciation reported on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Operating assistance grants are included as non-operating revenues in the year in which a related reimbursable expense is incurred or in unearned revenue for use in a subsequent fiscal year.

During fiscal years 2020 and 2019, Foothill Transit exchanged general funds for Proposition A Local Return funds from the City of West Covina and City of San Gabriel. During fiscal year 2020, \$1,650,000 general funds were exchanged for \$2,200,000 Prop A funds with the City of West Covina and \$750,000 general funds were exchanged for \$1,000,000 Prop A funds with City of San Gabriel. In fiscal year 2019, \$1,650,000 general funds were exchanged for \$2,200,000 with the City of West Covina Prop A funds. All Prop A funds were allocated for transit operations.

Foothill Transit’s policy is to report revenue from capital grants separately after non-operating revenues as the related expenses are incurred. Assets acquired with capital grant funds are included in capital assets. Capital grant monies received prior to an expense being incurred are recorded as unearned revenue.

m. Grants and Subsidies

Grant and subsidy revenues are recorded when earned. Grant sources currently include Los Angeles County Propositions A and C, Measure R and Measure M, which are local sales tax initiatives passed by the voters of Los Angeles County and then granted out to Foothill Transit, State Local Transportation Funds (LTF) described below and Federal Transit Administration (FTA) capital assistance.

Foothill Transit receives grant funds from these various County, State, and Federal entities. Funds received from such entities are subject to certain required terms and conditions of the underlying grant agreements and are subject to audit by the grantor agencies. Amounts received under such grants and contractual agreements are subject to change based upon the results of such audits.

Transportation Development Act (TDA), including Low-Carbon Transit Operations Program (LCTOP), and State Transit Assistance (STA) funds are received for both operating and capital expenses. These funds are derived from the State Local Transportation Funds (LTF) and are allocated to Foothill Transit using the regionally adopted Formula Allocation Procedures. These funds can be used for capital and operating purposes, however Foothill Transit’s goal is to use them to the extent possible as a local match on federally funded capital projects.

n. Non-Exchange Transactions

Foothill Transit recognizes all capital grants as capital contributions in the statements of revenues, expenses, and changes in net position.

o. Recent Event

In December 2019, a novel strain of Coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020, the State of California issued a statewide shelter-in-place order that continues to have a significant impact on the operations and business results of Foothill Transit. Subsequent to June 30, 2020, Foothill Transit was awarded \$33,017,520 in CARES Act funding to help offset some of the additional costs incurred. The extent to which the coronavirus may impact business activity, including ridership and operating grants, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and investments at June 30, 2020 and 2019, were reported in the accompanying financial statements as follows:

	2020	2019
Cash and cash equivalents, current	\$ 26,751,988	\$ 47,811,665
Cash and cash equivalents, noncurrent	78,142,918	17,367,300
Facilities Restricted cash and cash equivalents, noncurrent	2,623,399	3,167,219
Investments	995,396	24,943,389
Cash and cash equivalents and investments	\$ 108,513,701	\$ 93,289,573

Deposits

At June 30, 2020, the carrying amount of Foothill Transit’s deposits was \$107,518,305 and the bank balance was \$107,651,528. The difference of \$133,223 represents outstanding checks and other reconciling items. At June 30, 2019, the carrying amount of Foothill Transit’s deposits was \$68,346,184 and the bank balance was \$68,848,209. The difference of \$502,025 represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure an entity’s deposits by pledging government securities with a value of 110% of an entity’s deposits. California law also allows financial institutions to secure the entity’s deposits by pledging first trust deed mortgage notes having a value of 150% of the entity’s total deposits. The Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department Of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of

securities by a bank or savings and loan association with an “Agent of Depository” has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

As a public agency, Foothill Transit’s investment practices are prescribed by various provisions of the California Government Code and the Act, as well as by administrative policies. Foothill Transit’s statement of investment policy is approved by the Board and describes the Treasurer’s investment authority, practices, and limitations. The basic investment policy objectives, in order of importance, are safety of principal, liquidity, and return on investment.

Under provision of Foothill Transit’s investment policy, and in accordance with the California Government Code, the following investments are authorized:

Checking Account Demand Deposits
Passbook Savings Account Demand Deposits
Money Market Mutual Funds
Local Agency Investment Fund (LAIF) Demand Deposits
Obligations of the U.S. Government, its agencies, and instrumentalities Federal Agency obligations
Municipal Securities (California cities and local agencies) rated “A” or better by Moody’s or S&P
Certificates of deposit
Negotiable Certificates of Deposits, federally insured with the issuer
Repurchase Agreements used solely for short-term investments not to exceed 30 days
Bonds issued by any city, county, or local agency in California or by the State of California

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or Foothill Transit’s investment policy.

Investments in State Investment Pool

Foothill Transit is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer’s Office audits the fund annually. The value of the position in the investment pool is the same as the value of the pool shares and is reported at amortized cost. LAIF is principally invested in obligations of federal government agencies, U.S. Treasury securities, certificates of deposit, and commercial paper. LAIF’s fund manager considers the credit risk as minimal. LAIF is protected against fraudulent acts by the state’s self-insurance program. At June 30, 2020, and 2019, Foothill Transit maintained \$61,408,172 and \$30,676,197 of cash equivalents in LAIF, respectively.

Credit Risk

Foothill Transit’s investment policy limits investments in municipal securities, negotiable certificates of deposits, and banker’s acceptances to those rated “A” or better and repurchase agreements and bonds to those rated in the highest category by Moody’s or S&P. As of June 30, 2020, and 2019, Foothill Transit’s investments did not include these types of investments. Foothill Transit’s investments in U.S. Government agencies were rated AAA by Moody’s as of June 30, 2020, and 2019. As of June 30, 2020, and 2019, Foothill Transit’s investment in LAIF has not been rated by a nationally recognized statistical rating organization.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover 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 to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2020, and 2019, none of Foothill Transit’s deposits or investments were exposed to custodial credit risk due to the requirement of the California Government Code to collateralize deposits of public funds by pledging government securities as collateral. Such collateralization of public funds is accomplished by pooling.

Concentration of Credit Risk

Concentration risk is the risk associated with the magnitude of investment in any one issuer. As of June 30, 2020, Foothill Transit did not have more than five percent of its investments in one issuer. As of June 30, 2019, more than five percent of Foothill Transit’s investments were in Federal Home Loan Mortgage Corporation and Federal Home Loan Banks, totaling \$18,961,650 and \$4,993,100, respectively.

Interest Rate Risk:

As a means of limiting its exposure to fair value losses arising from rising interest rates, Foothill Transit’s investment policy limits the authority’s portfolio to maturities of less than five years. Foothill Transit has elected to use the segmented time distribution method of disclosure for its interest rate risk. The maturity of Foothill Transit’s investment in LAIF is based on the average maturity of LAIF’s investments.

Fair Value Measurement:

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

As of June 30, 2020, and 2019, Foothill Transit held U.S. Treasury securities of \$995,396 and \$988,639, respectively, and government agency obligations of \$0 and \$23,954,750, respectively. All of the investments are based on quoted market prices of similar securities with similar due dates using the market approach (Level 2 inputs).

Foothill Transit has the following investments at fair value and remaining maturities as of June 30:

Remaining Investment Maturities

Investment Type	2020			2019		
	Fair Value	Less Than 1 Year	1 to 5 Years	Fair Value	Less Than 1 Year	1 to 5 Years
US Treasury	\$ 995,396	\$ 995,396	\$ -	\$ 988,639	\$ 988,639	\$ -
Government Callable Notes	-	-	-	23,954,750	-	23,954,750
Total	\$ 995,396	\$ 995,396	\$ -	\$ 24,943,389	\$ 988,639	\$ 23,954,750

NOTE 4: REVENUE AND RECEIVABLES FROM OTHER GOVERNMENTAL AGENCIES

For the years ending June 30, 2020, and 2019, operating grants earned from other governmental agencies consisted of the following:

Operating Grants	2020	2019
State and local grants:		
Transportation Development Act	\$ 17,102,951	\$ 20,441,829
Proposition A Formula Subsidy	16,560,017	16,230,456
Measure M	12,665,574	11,425,141
Measure R	12,245,224	11,316,362
Proposition A Bus Service Continuation Program	5,318,480	4,968,084
State Transit Assistance	5,265,596	4,084,632
Senate Bill 1 - STA	3,429,055	2,404,874
Proposition A Local Return Exchange	3,200,000	2,200,000
Proposition C Base Restructuring	2,099,785	2,052,977
CRD Subsidy	1,840,000	-
Proposition C 5% Transit Security	1,042,060	1,003,576
Proposition C BSIP - Overcrowding Relief	977,602	955,809
CalTrans-LCTOP OP	1,751,792	587,349
Proposition C Transit Service Expansion - Line 690	349,912	342,112
SBI-STA BSCP	375,863	263,081
AQMD/MSRC - Clean Air Grant	-	49,407
Total operating grants	\$ 84,223,911	\$ 78,325,689

For the years ending June 30, 2020, and 2019, capital grants earned from other governmental agencies consisted of the following:

Capital Grants	2020	2019
State and local grants:		
Transportation Development Act	\$ 6,804,937	\$ 2,662,016
Proposition C - MOSIP	5,776,324	6,894,030
Other	3,546,132	79,646
Proposition 1B	1,799,074	3,787,752
Senate Bill 1 - SGR	1,351,601	1,869,479
Toll Revenue Grant	343,302	12,477
Total state and local capital grants	19,621,370	15,305,400
Federal grants:		
FTA Section 5307	5,679,760	19,437,566
FTA Section 5312	1,034,496	-
FTA Section 5339	204,581	539,110
FTA Section 5309	-	764,025
Total federal capital grants	6,918,837	20,740,701
Total capital grants	\$26,540,207	\$36,046,101

Other governmental agencies amounts due are recorded when earned based on operating grant and capital grant revenue recognition. Management believes that no provision for an allowance was necessary at June 30, 2020 and 2019.

State and Local Agencies	2020	2019
Transportation Development Act	\$ 2,224,634	\$ 2,091,592
CRD Subsidy	1,840,000	-
State Transit Assistance	1,316,399	1,021,158
Senate Bill 1 - State Transit Assistance	951,230	2,465,224
Proposition C MOSIP	628,502	3,188,238
Senate Bill 1 - State of Good Repair	349,534	413,658
Proposition C Call For Projects	73,872	73,872
City of Duarte	50,493	1,119,445
Proposition 1B	22,181	7,583
Los Angeles Department of Transportation	19,865	70,035
Antelope Valley Transportation Authority	13,634	9,611
Pass Sales	11,280	30,532
Toll Revenue Grant	872	6,186
Pass Sales - Metrolink	-	7,342
Federal agencies		
Section 5307 Capital Grant - FTA	669,487	546,057
Section 5312 Capital Grant - FTA	102,607	-
Section 5339 Capital Grant - FTA	55,338	539,110
Total Due from Governmental Agencies	\$ 8,329,928	\$ 11,589,643

NOTE 5: RECEIVABLES

At June 30, 2020, and 2019, receivables consist of the following and are expected to be collected within one year:

	2020	2019
Miscellaneous	\$ 55,443	\$ 72,871
TAP Sales	18,271	324,044
Merchant Services	5,342	55,549
Trade Receivables (Pass Sales)	3,797	1,122,272
	\$ 82,853	\$ 1,574,736

Receivables are recorded when earned based on operating revenue recognition. Management believes that no provision for an allowance was necessary at June 30, 2020 and 2019.

NOTE 6: CAPITAL ASSETS

Changes in the capital assets by category for the years ended June 30, 2020, are as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 14,137,570	\$ -	\$ -	\$ 14,137,570
Construction in progress	21,269,476	13,668,797	-	34,938,273
Total capital assets not being depreciated	35,407,046	13,668,797	-	49,075,843
Depreciable capital assets				
Facility	109,091,235	3,223,297	-	112,314,532
Transit Buses	261,460,740	8,817,281	(7,461,419)	262,816,602
Other operating equipment	48,725,705	794,971	(778,023)	48,742,653
Vehicles	1,085,050	-	(89,521)	995,529
Furniture and fixtures	873,564	1,827	-	875,391
Total depreciable capital assets	421,236,294	12,837,376	(8,328,963)	425,744,707
Accumulated depreciation				
Facility	(56,670,962)	(3,910,479)	-	(60,581,441)
Transit buses	(130,022,406)	(19,463,073)	7,032,521	(142,452,958)
Other operating equipment	(44,237,512)	(1,594,419)	778,023	(45,053,908)
Vehicles	(847,220)	(78,456)	89,520	(836,156)
Furniture and fixtures	(806,263)	(18,529)	-	(824,792)
Total accumulated depreciation and amortization	(232,584,363)	(25,064,956)	7,900,064	(249,749,255)
Depreciable capital assets, net	188,651,931	(12,227,580)	(428,899)	175,995,452
Total capital assets, net	\$ 224,058,977	\$ 1,441,217	\$ (428,899)	\$ 225,071,295

Changes in the capital assets by category for the years ended June 30, 2019, are as follows:

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019
Capital assets not being depreciated				
Land	\$ 14,137,570	\$ -	\$ -	\$ 14,137,570
Construction in progress	10,142,910	11,126,566	-	21,269,476
Total capital assets not being depreciated	24,280,480	11,126,566	-	35,407,046
Depreciable capital assets				
Facility	110,277,249	-	(1,186,014) ⁽¹⁾	109,091,235
Transit Buses	246,675,491	24,167,029	(9,381,780)	261,460,740
Other operating equipment	46,667,861	2,057,844	-	48,725,705
Vehicles	946,196	138,854	-	1,085,050
Furniture and fixtures	873,564	-	-	873,564
Total depreciable capital assets	405,440,361	26,363,727	(10,567,794)	421,236,294
Accumulated depreciation				
Facility	(53,012,333)	(3,658,629)	-	(56,670,962)
Transit buses	(120,051,475)	(19,352,711)	9,381,780	(130,022,406)
Other operating equipment	(42,507,733)	(1,729,779)	-	(44,237,512)
Vehicles	(776,988)	(70,232)	-	(847,220)
Furniture and fixtures	(782,386)	(23,877)	-	(806,263)
Total accumulated depreciation and amortization	(217,130,915)	24,835,228	9,381,780	(232,584,363)
Depreciable capital assets, net	188,309,446	1,528,499	1,186,014)	188,651,931
Total capital assets, net	\$ 212,589,926	\$ 12,655,065	(\$ 1,186,014)	\$224,058,977

(1) During fiscal year 2019, \$1,186,014 of assets were reclassified from Facility to on Construction in progress.

NOTE 7: PURCHASED TRANSPORTATION

Foothill Transit provides bus service through third party providers for its facilities in Arcadia and Pomona. Keolis was awarded a four-year contract with one four-year option commencing on July 1, 2017, for the operating services at the Pomona Facility.

The operating contracts with Keolis and TransDev compensate the contractors based on contractually determined rates per bus revenue miles and hours. They also receive a fixed fee for indirect overhead. The mileage and hourly rates are subject to adjustment in June of each year based on changes in the CPI for the year ending the previous May. The Pomona service expense was \$30,379,952 and \$29,950,189 for the years ended June 30, 2020, and

2019, respectively. Foothill Transit's related expense for service at the Arcadia Facility was \$46,277,258 and \$44,878,188 for the years ended June 30, 2020, and 2019, respectively. On a combined basis, the contractors provided performance bonds totaling approximately \$10.5 million for the protection of Foothill Transit.

NOTE 8: COMMITMENTS AND CONTINGENCIES

a. Operating Lease Commitments

Foothill Transit leases certain facilities under long-term lease agreements. Foothill Transit leases space for a Transit Store in the Puente Hills Mall. This lease was executed on July 5, 2013, and expires on August 31, 2023, with renewable options for ten years. Monthly rent includes a base amount of \$2,674 plus additional charges for marketing, taxes and insurance. Currently, the additional charges total \$4,902 for a total monthly rent of \$7,576. Rent expense for the years ended June 30, 2020, and 2019, was \$102,293 and \$113,079.

b. Capital Commitments

Foothill Transit has a commitment to purchase 24 new CNG Articulated buses for \$22,971,101 and 2 new CNG 35-foot buses for a total cost of \$1,327,494, including sales tax; and two Electric double-decker buses for \$3,386,964.

c. Legal Matters

In the ordinary course of business, Foothill Transit is subject to certain lawsuits and other potential legal actions. In the opinion of management, such matters will not have a material effect on the financial statements of Foothill Transit.

NOTE 9: OPERATING LEASE INCOME

Foothill Transit is the lessor in several operating leases for surplus office space in the administrative offices building, included in the Facility Depreciable Assets (in Note 6). Two of the administrative offices building's six floors are leased. The first floor is leased to Chase Bank and the fourth floor is leased to three different entities. The leases expire at various dates between August 2023 and April 2027. The historical cost of the two leased floors approximates \$5,982,412, representing one third of the building cost. At June 30, 2020, and 2019, the carrying value of the leased space was \$3,106,710 and \$3,305,039, net of accumulated depreciation of \$2,875,702 and \$2,677,373, respectively.

The future minimum lease rentals in the aggregate for each of the five succeeding fiscal years are:

Year Ending June 30	Lease Revenue
2021	\$ 434,226
2022	459,566
2023	462,934
2024	391,143
2025	348,211
2026	348,211
2027	348,211
Total	\$ 2,792,502

NOTE 10: RISK MANAGEMENT

Foothill Transit carries commercial insurance to protect against potential losses, including coverage for the following: commercial general liability, excess liability, public officials and employee liability, computer equipment (including media and data protection), commercial property (including personal property and business income), and pollution liability (including loss remediation or legal expense coverage).

Foothill Transit also requires its contract transit operators to provide, as a contract requirement, insurance coverage naming Foothill Transit as an additional insured on their commercial general liability, automobile liability, excess liability, and workers compensation policies.

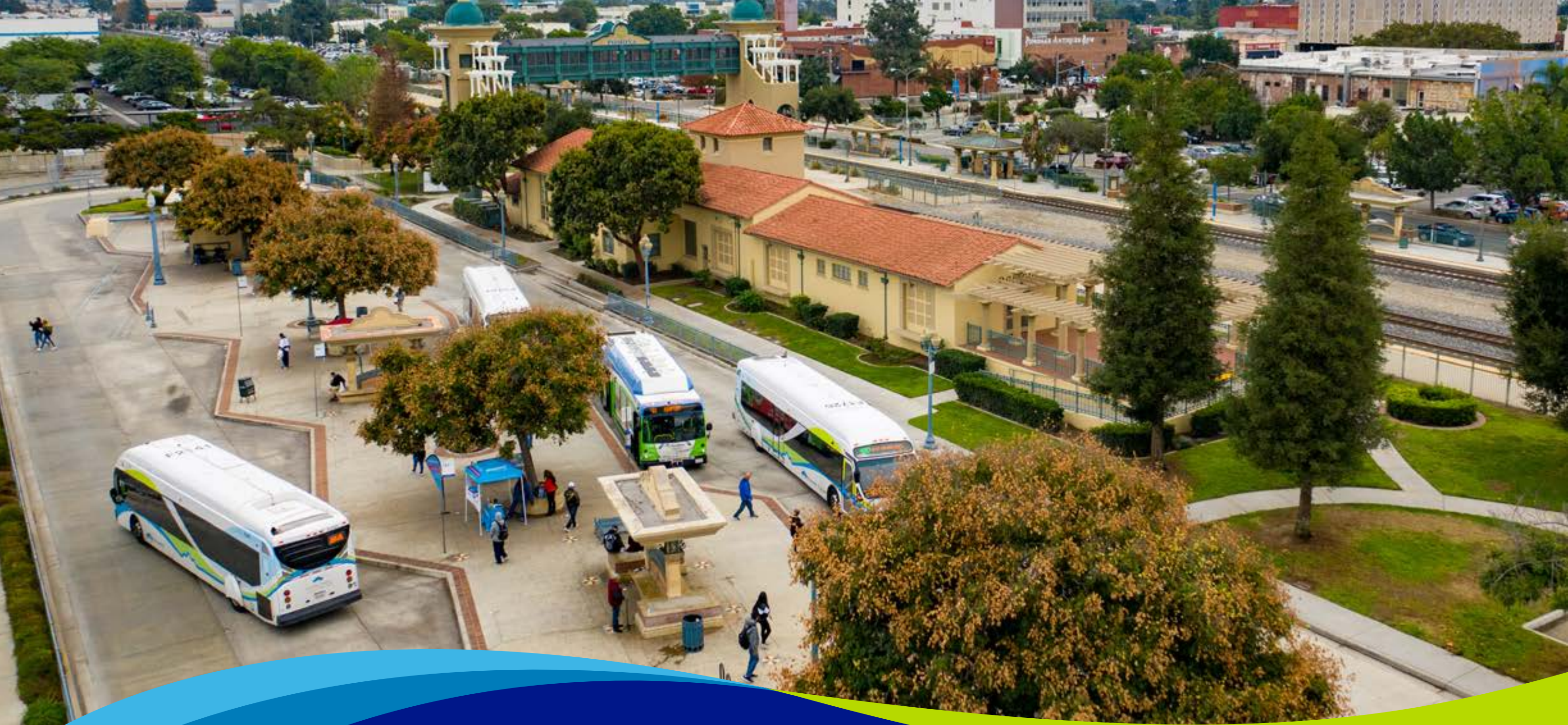
There were no reductions in coverage or claims in excess of coverage during the fiscal years ended June 30, 2020, 2019, and 2018, nor were there any claims payments made during the year or claims payable at the end of the year.

NOTE 11: DEFINED CONTRIBUTION RETIREMENT PLAN

Effective July 1, 2014, Foothill Transit adopted the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust (“the 401(a) Plan”) and the ICMA Retirement Corporation Governmental 457 Deferred Compensation Plan and Trust (“the 457 Plan”), for all full-time employees of Foothill Transit. Benefit and contribution terms for the plans are established and may be amended by the Board of Directors; however, the plan is administered by a third party, ICMA Retirement Corporation. Foothill Transit contributes 8% of the employee’s salary to the 401(a) Plan with no matching requirements, plus an additional dollar for dollar employer match of up to 4% more. Foothill transit contributed \$649,404 and \$606,657 to the 401(a) Plan during fiscal years 2020 and 2019, respectively.

Participants are 100% vested immediately. Employees are permitted to make contributions to the 457 plan, up to applicable Internal Revenue Code limits. There are no employer contributions to the 457 Plan. As of June 30, 2020 and 2019, the balance invested in both plans by both employees and Foothill Transit totaled \$6,948,854 and \$5,943,173, respectively. There was no liability outstanding for either plan as of June 30, 2020, or 2019.

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STATISTICAL SECTION

Financial Section

This part of Foothill Transit's 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 says about the agency's overall financial health.

FINANCIAL TRENDS

46 These schedules contain trend information to help the reader understand how the agency's financial performance and well-being have changed over time.

REVENUE CAPACITY

47 These schedules contain information to help the reader assess the agency's most significant local revenue sources and taxes.

DEBT CAPACITY

51 These schedules present information to help the reader assess the affordability of the agency's current levels of outstanding debt and the agency's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

52 These schedules offer demographic and economic indicators to help the reader understand the environment within which the agency's financial activities take place.

OPERATING INFORMATION

53 These schedules contain service and infrastructure data to help the reader understand how the information in the agency's financial report relates to the services the agency provides and the activities it performs.

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FINANCIAL TRENDS - Net Position

Last Ten Fiscal Years

Fiscal Year	Net Investment in Capital Assets	Unrestricted	Total Net Position
2011	\$ 152,768,075	\$ 24,550,008	\$ 177,318,083
2012	152,006,110	24,751,704	176,757,814
2013	148,897,686	25,382,942	174,280,628
2014	184,208,626	23,779,619	207,988,245
2015	201,831,874	29,455,331	231,287,205
2016	200,276,321	37,861,516	238,137,837
2017	210,142,128	36,848,616	246,990,744
2018	210,364,476	36,845,704	247,210,180
2019	221,655,610	40,095,688	261,751,298
2020	223,606,295	41,531,969	265,138,264

Source: Foothill Transit Finance Department

FINANCIAL TRENDS - Change in Net Position

Last Ten Fiscal Years

Fiscal Year	Operating Revenue	Operating Expense	Operating Income (Loss)	Nonoperating Revenues/ Expenses	Income/ (Loss) Before Contributions	Capital Contributions	Change in Net Position
2011	18,507,098	77,336,333	(58,829,235)	41,320,176	(17,509,059)	16,687,490	(821,569)
2012	19,585,484	80,246,868	(60,661,384)	42,831,809	(17,829,575)	17,269,306	(560,269)
2013	19,550,489	82,534,239	(62,983,750)	44,012,132	(18,971,618)	16,494,432	(2,477,186)
2014	19,907,140	88,037,934	(68,130,794)	45,949,812	(22,180,982)	55,888,599	33,707,617
2015	20,070,304	96,020,737	(75,950,433)	56,182,234	(19,768,196)	43,067,156	23,298,960
2016	18,531,384	101,711,307	(83,179,923)	62,643,667	(20,536,256)	27,386,888	6,850,632
2017	17,571,558	112,415,920	(94,844,362)	72,848,673	(21,995,689)	30,848,596	8,852,907
2018	17,688,164	119,534,295	(101,846,131)	74,286,931	(27,559,200)	27,778,636	219,436
2019	17,321,438	121,655,515	(104,334,077)	82,829,094	(21,504,983)	36,046,101	14,541,118
2020	12,513,099	123,387,817	(110,874,718)	87,721,477	(23,153,241)	26,540,207	3,386,966

Source: Foothill Transit Finance Department

FINANCIAL TRENDS - Operating Revenue by Source

Last Ten Fiscal Years

Fiscal Year	Farebox and Bus Pass Revenue	Special Services	Dial-A-Ride	Liquidated Damages	Other Revenue	Total
2011	17,238,311	386,031	667,633	124,200	90,923	18,507,098
2012	18,496,259	204,227	729,537	97,100	58,361	19,585,484
2013	18,441,434	254,517	714,543	33,000	106,995	19,550,489
2014	18,845,702	259,313	699,493	-	102,632	19,907,140
2015	18,890,298	337,229	693,605	26,550	122,622	20,070,304
2016	17,144,739	391,381	701,303	77,111	216,850	18,531,384
2017	16,082,346	346,487	868,758	133,800	140,167	17,571,558
2018	16,343,392	301,318	737,582	107,950	197,922	17,688,164
2019	16,079,596	534,612	511,739	51,900	143,591	17,321,438
2020	11,926,026	418,110	-*	68,650	100,313	12,513,099

Source: Foothill Transit Finance Department

* Dial-A-Ride program ended 06/30/2019

FINANCIAL TRENDS - Non-operating Revenues and Expenses

Last Ten Fiscal Years

Fiscal Year	Operating Grants	Interest	Gain (Loss) on Disposal of Assets	Net decline in Fair Value of Investments	Prop A Exchange ³	Other Revenues (Expenses)	Excise Tax Refund ¹	Property Management Revenue (Expense)	Total Other Revenue
2011	41,388,504	36,145	105,429	-	-	-	-	(209,902)	41,320,176
2012	43,206,876	75,137	3,154	-	-	(197,324)	-	(256,034)	42,831,809
2013	43,775,320	101,057	320,719	-	-	-	-	(184,964)	44,012,132
2014	45,821,966	113,695	155,520	-	-	-	-	(141,369)	45,949,812
2015	50,816,890	142,093	214,472	-	-	-	4,928,098	80,681	56,182,234
2016	57,267,820	399,728	18,730	-	-	1,024,267 ²	3,854,145	78,977	62,643,667
2017	68,777,964	466,489	121,056	-	(1,335,866)	1,918,382 ²	2,852,756	47,892	72,848,673
2018	74,676,246	717,557	74,164	(547,040)	(1,500,000)	804,069 ²	-	61,935	74,286,931
2019	78,325,689	1,094,748	71,329	513,032	(1,650,000)	1,651,326 ²	2,815,887	7,083	82,829,094
2020	84,223,911	1,169,000	337,923	34,008	(2,400,000)	1,492,968 ²	2,784,739	78,928	87,721,477

Source: Foothill Transit Finance Department

¹ Compressed Natural Gas (CNG) fuel tax refund.

² Other Revenue includes Low Carbon Fuel Standard credits

³ Proposition A fund exchange was made from general funds

FINANCIAL TRENDS - Operating Expenses

Last Ten Fiscal Years

Fiscal Year	Purchased Transportation	Fuel Cost	Salaries & Benefits	Special Services	Dial-A-Ride Expenditures	Professional Services	Advertising	General & Administrative	Depreciation Expense	Total
2011	42,546,290	6,369,946	6,450,062 ¹	224,755	656,265	1,113,036	216,422	2,250,497	17,509,060	77,336,333
2012	44,700,314	5,899,524	7,293,707 ¹	131,384	718,033	1,264,497	318,188	2,288,971	17,632,250	80,246,868
2013	44,936,529	5,834,816	7,927,140 ¹	168,930	702,729	1,187,901	397,940	2,406,636	18,971,618	82,534,239
2014	47,199,412	5,944,334	5,282,937	144,953	687,442	3,561,061 ²	401,793	2,635,020	22,180,982	88,037,934
2015	52,737,534	5,223,294	5,463,016	233,241	681,421	3,717,814 ²	419,360	2,848,762	24,696,294	96,020,736
2016	56,166,308	5,385,427	6,133,544	267,684	688,961	3,722,103 ²	577,093	3,355,518	25,414,669	101,711,307
2017	66,266,768	6,185,549	6,386,062	266,925	856,305	3,464,219 ²	418,213	3,140,918	25,430,961	112,415,920
2018	72,828,345	5,682,454	6,663,141	257,260	737,582	3,238,546 ²	415,579	3,395,159	26,316,229	119,534,295
2019	74,828,377	7,100,807	6,898,462	393,277	498,697	3,477,230 ²	445,698	3,177,739	24,835,228	121,655,515
2020	76,657,210	6,334,538	7,498,942	343,302	- ³	3,320,881 ²	511,026	3,656,962	25,064,956	123,387,817

Source: Foothill Transit Finance Department

¹ Represents management expenses paid to private contractor for day-to-day administrative and operational functions

² Professional expenses including transit stores and facilities management

³ Dial-A-Ride program ended 06/30/2019

FINANCIAL TRENDS - Capital Assets Grant Contributions

Last Ten Fiscal Years

Fiscal Year	Proposition C	Federal Transit Administration	Measure R	Senate Bill 1 - State of Good Repair	Transportation Development Act	Prop 1B/ CARB/ LCTOP	Other ¹	Total
2011	2,734,459	12,998,934	-	-	637,113	316,984	-	16,687,490
2012	5,970,133	10,618,400	-	-	113,824	566,949	-	17,269,306
2013	2,578,725	8,678,882	-	-	412,909	4,823,916	-	16,494,432
2014	9,609,877	44,339,636	-	-	1,078,143	860,943	-	55,888,599
2015	1,921,510	33,933,762	-	-	790,151	6,421,733	-	43,067,156
2016	2,652,026	11,029,256	-	-	1,931,806	11,773,800	-	27,386,888
2017	7,322,862	17,466,212	27,368	-	2,645,459	3,386,695	-	30,848,596
2018	7,993,408	10,251,734	3,570,412	420,158	2,391,199	3,151,725	-	27,778,636
2019	6,894,030	20,740,701	-	1,869,479	2,662,016	3,800,229	79,646	36,046,101
2020	5,776,324	6,918,837	-	1,351,601	6,804,937	1,799,074	3,889,434	26,540,207

Source: Foothill Transit Finance Department

¹ LADOT & AVTA share of expenses for capital projects, MTA Farebox grant

FINANCIAL TRENDS - Tax Revenues - Foothill Transit and Los Angeles County

Last Ten Fiscal Years (In Thousands)

Fiscal Year	Foothill Transit ¹							Total	% of LA County
	TDA ³	STA ⁴	Prop A ⁵	Prop C ⁵	Measure R ⁵	Measure M ⁵	Senate Bill 1 ⁶		
2011	14,254	3,825	14,170	7,620	6,663	-	-	46,532	2.29%
2012	17,434	3,296	17,211	7,851	7,901	-	-	53,693	2.47%
2013	17,441	4,890	16,945	7,971	7,886	-	-	55,133	2.33%
2014	20,830	3,913	17,783	10,808	9,352	-	-	62,686	2.31%
2015	21,866	2,744	18,201	11,089	9,903	-	-	63,803	2.27%
2016	21,548	3,378	18,770	11,320	10,527	-	-	65,542	2.33%
2017	22,941	1,842	20,640	11,675	10,412	-	-	67,510	2.34%
2018	23,116	1,991	21,154	11,245	11,259	9,946	2,864	81,575	2.20%
2019	25,099	4,085	21,199	11,727	11,316	11,425	3,894	88,745	2.23%
2020	26,696	5,266	21,878	4,470	12,245	12,665	3,805	87,025	2.18%

Fiscal Year	Los Angeles County ²							Total
	TDA ³	STA ⁴	Prop A ⁵	Prop C ⁵	Measure R ⁵	Measure M ⁵	Senate Bill 1 ⁶	
2011	297,280	62,806	557,825	525,786	589,852	-	-	2,033,549
2012	323,557	64,853	584,632	564,068	638,260	-	-	2,175,370
2013	323,625	123,231	634,154	639,043	644,738	-	-	2,364,791
2014	380,801	115,609	725,902	743,472	749,228	-	-	2,715,012
2015	398,212	93,259	757,434	780,796	782,800	-	-	2,812,501
2016	387,834	107,481	766,981	770,535	776,551	-	-	2,809,382
2017	406,281	58,942	800,299	804,880	811,065	-	-	2,881,467
2018	403,419	52,981	802,055	802,115	809,563	761,900	76,071	3,708,104
2019	422,000	82,456	844,000	844,000	844,000	844,000	99,720	3,980,176
2020	420,334	103,771	841,447	838,836	840,670	844,000	99,719	3,988,777

Source: Foothill Transit Finance Department

¹ Share of Tax Revenues Allocated to Foothill Transit through Formula Allocation Program

² Total LA County Transit Tax Revenues

³ Transportation Development Act (TDA) 1/4% of statewide sales tax revenues allocated to Transportation

⁴ State Transit Assistance (STA) 50% of statewide gasoline taxes allocated to Public Transit

⁵ Los Angeles County sales tax measures, each 1/2% of all sales for a total of 2% for all four

⁶ State Bill 1 funds allocated to Foothill Transit

FINANCIAL TRENDS - Annual Farebox and Bus Pass Revenue

Last Ten Fiscal Years (In Thousands)

Fiscal Year	Cash	Passes	Stored Value	EZ Transit Passes	Other Revenue ¹	Total
2011	10,965,031	3,230,792	1,836,503	1,172,952	33,033	17,238,311
2012	11,328,797	3,172,065	2,325,421	1,581,058	88,918	18,496,259
2013	10,885,442	3,178,410	2,335,453	1,456,385	585,744	18,441,434
2014	10,039,652	4,112,118	2,673,097	1,387,708	633,127	18,845,702
2015	9,878,356	4,439,522	2,920,388	1,002,420	649,612	18,890,298
2016	8,988,245	3,717,431	3,112,977	726,594	599,492	17,144,739
2017	8,330,050	3,435,100	3,067,576	651,677	597,943	16,082,346
2018	8,101,339	3,689,301	3,291,450	687,489	573,813	16,343,392
2019	7,112,560	3,868,131	3,945,266	601,786	551,852	16,079,596
2020	4,697,392	2,975,786	3,374,491	515,961	362,397	11,926,027

Source: Foothill Transit Finance Department

¹ Other Revenue includes Access reimbursements, Metrolink transfers, and city subsidies

FINANCIAL TRENDS - Cash Fares

Last Ten Fiscal Years

Fiscal Year	Local			SilverStreak (Local Plus)			Commuter Express ³		
	Adult	Senior/Disabled ¹	Student ²	Adult	Senior/Disabled ¹	Student ²	Adult	Senior/Disabled ¹	Student ²
2011	1.25	0.50	1.25	2.75	1.35	2.75	4.90	4.90	4.90
2012	1.25	0.50	1.25	2.75	1.35	2.75	4.90	4.90	4.90
2013	1.25	0.50	1.25	2.45 ⁴	1.15 ⁴	1.15 ⁴	4.90	4.90	4.90
2014	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2015	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2016	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2017	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2018 ⁵	1.50	0.75	1.50	2.75	1.25	2.75	5.00	5.00	5.00
2019	1.50	0.75	1.50	2.75	1.25	2.75	5.00	5.00	5.00
2020 ⁶	1.75	0.75	1.75	3.00	1.50	3.00	5.50	5.50	5.50

Source: Foothill Transit Finance Department

¹ Includes Medicare eligible costumers

² Includes K-12 and college eligible customers

³ Commuter Express Service ONLY operated during peak service periods

⁴ Silver2Silver Program fare adjustment October 2012

⁵ Fare changes effective October 20, 2017

⁶ Fare changes effective September 29, 2019

OUTSTANDING DEBT

Last Ten Fiscal Years

Fiscal Year	Capital Lease	Total Debt
2011	1,000,000	1,000,000
2012	1,000,000	1,000,000
2013	-	-
2014	-	-
2015	-	-
2016	-	-
2017	-	-
2018	-	-
2019	-	-
2020	-	-

Source: Foothill Transit Finance Department

DEMOGRAPHIC AND ECONOMIC INFORMATION - Statistics for Los Angeles County

Last Ten Fiscal Years

Fiscal Year	Unemployment Rate ¹	Population ² (000)	School Enrollment ³ (000)	Personal Income ¹		Consumer Price Index ⁵	
				Total (000)	Per Capita	Value	% Change
2011	12.20%	9,860	1,590	420,913	42,564	231.9	2.90%
2012	10.90%	9,911	1,575	455,789	45,800	236.6	1.60%
2013	9.80%	10,013	1,785	466,099	46,530	239.2	1.23%
2014	8.20%	10,069	1,564	472,387	28,337	242.4	1.35%
2015	6.60%	10,170	1,539	544,325	53,521	244.6	0.91%
2016	5.20%	10,138	1,523	554,592 ⁴	54,530 ⁴	249.2	1.89%
2017	5.20%	10,231	1,511	555,581 ⁴	54,628 ⁴	254.4	2.07%
2018	5.10%	10,284	1,493	558,537 ⁴	54,918 ⁴	256.2	0.71%
2019	4.60%	10,253	1,464	555,581 ⁴	54,628 ⁴	265.9	3.78%
2020	19.60%	10,173	1,437	584,206	57,442	278.1	4.60%

Source:

¹ Employment Development Department

² State of California Department of Finance, based on latest data available

³ California Department of Education

⁴ Data not available, amounts increased by CPI

⁵ US Department of Labor Statistics, for Los Angeles County

DEMOGRAPHIC AND ECONOMIC INFORMATION - Statistics for Los Angeles County

Employer	2019 ¹			2018		
	Number of Employees	Percentage of Total	Rank	Number of Employees	Percentage of Total	Rank
County of Los Angeles	-	0.00%	1	107,400	2.19%	1
Los Angeles Unified School District	-	0.00%	2	104,300	2.13%	2
University of California, Los Angeles	-	0.00%	3	65,600	1.34%	3
City of Los Angeles	-	0.00%	4	61,900	1.26%	4
Federal Government	-	0.00%	5	43,600	0.89%	5
Kaiser Permanente	-	0.00%	6	37,400	0.76%	6
State of California	-	0.00%	7	29,800	0.61%	7
University of Southern California	-	0.00%	8	21,000	0.43%	8
Northrop Grumman Corp.	-	0.00%	9	16,600	0.34%	9
Providence Health & Services	-	0.00%	10	15,900	0.32%	10
Target Corp	-	0.00%	11	15,000	0.31%	11
All Other Employers	-	0.00%		4,378,000	89.41%	
Total	-	0.00%		4,896,500	100.00%	

Source: Los Angeles Almanac; California Employment Development Department

¹ Most current information available

OPERATING INFORMATION - Operating and Capital Indicators

Last Ten Fiscal Years

Fiscal Year	Buses	Maintenance Facilities	Routes	Vehicle Service Hours(000)	Cost/Vehicle Service Hr.	Boarding/Vehicle Service Hr	Passengers (000)	Farebox Recovery Ratio
2011	300	2	35	671	88.63	20.80	13,985	29.00%
2012	314	2	39	672	83.40	20.70	13,909	32.39%
2013	314	2	35	687	91.97	20.50	14,080	29.20%
2014	330	2	35	705	92.62	20.60	14,522	28.91%
2015	330	2	36	760	93.07	19.00	14,596	26.71%
2016	361	2	37	790	95.30	17.00	13,584	22.76%
2017	380	2	39	872	98.47	15.60	13,561	18.73%
2018	373	2	37	863	106.87	14.50	12,544	17.72%
2019	384	2	39	860	111.61	14.00	12,053	16.76%
2020	375	2	39	851	115.19	11.60	9,863	12.17%

Source: Foothill Transit Finance Department

OPERATING INFORMATION - Full-Time Equivalent by Functions

Last Seven Fiscal Years

Fiscal Year	Employees	Purchased Transportation			Total
	Administrative Office	Arcadia Facility	Pomona Facility	Transit Stores	FTE
2014	39	n/a	n/a	n/a	n/a
2015	43	n/a	n/a	n/a	n/a
2016	45	424	357	20	846
2017	52	490	360	23	926
2018	52	533	347	23	955
2019	52	533	328	21	934
2020	52	509	330	22	909

Source: Foothill Transit Finance Department

Note: Prior to FY 2014, Foothill Transit contracted third party contractor to perform management services, thus there were no FTE data available in prior years. Starting FY 2016, the agency began reporting FTE to California State Controller's Office

OPERATING INFORMATION - Miscellaneous Statistics

Last Ten Fiscal Years

Date Formed:	December 1988
Type of Organization:	Joint Powers Authority
Membership:	22 Los Angeles County Cities and County of Los Angeles
Number of Executive Board Members:	5
Number of Employees:	52
Type of Tax Support:	Proposition A ½ of 1% Sales tax Proposition C ½ of 1% Sales tax Measure R ½ of 1% Sales tax Measure M ½ of 1% Sales tax
Service Area:	San Gabriel & Pomona Valleys, Los Angeles County, CA
Contract services provided by:	TransDev Keolis Transit Services, LLC
Number of Buses in Fleet:	
Compressed Natural Gas Powered	342
Electric Powered	33
Operational and Maintenance Facilities:	2
Sales Outlets (Transit Stores):	4
Bus Routes/Lines:	
Express	7
Local	32
Bus Stops	1,918
Annual Service Hours ¹	850,559
Annual Passengers ¹	9,862,939
Average Weekday Boardings ¹	32,598

Source: Foothill Transit Finance Department

¹ Fiscal year 2019-2020

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COMPLIANCE REPORTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grand Number	Expenditures
U.S Department of Transportation			
Direct Programs			
Federal Transit Cluster			
Section 5307 - Formula Grants	20.507	CA-2019-049	\$ 5,556,330
	20.507	n/a	123,430
Section 5339 - Bus and Bus Facilities Formula Program	20.526	CA-2019-049	204,581
Total Federal Transit Cluster			5,884,341
Public Transportation Research, Technical Assistance, and Training	20.514	CA-2017-0889	1,034,496
Total U.S. Department of Transportation			\$ 6,918,837

Note a: Refer to Note 1 to the schedule of expenditures of federal awards for a description of significant accounting policies used in preparing this schedule

Note b: There were no federal awards expended in the form of noncash assistance and insurance in effect during the year

Note c: Total amount provided to subrecipients during the year was \$0

Note d: See next page for additional notes

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2020**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Foothill Transit, for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Foothill Transit, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Foothill Transit.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Foothill Transit has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 2: FEDERAL TRANSIT CLUSTER

These programs were established to assist public transportation corporations with planning, capital, and operating assistance. The programs are reimbursable grants based on an approved application and expenses incurred.



Crowe LLP
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, 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 Foothill Transit as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Foothill Transit's basic financial statements, and have issued our report thereon dated December 4, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting 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.



Crowe LLP

Los Angeles, California
December 4, 2020



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, California

Report on Compliance for Each Major Federal Program

We have audited Foothill Transit's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Foothill Transit's major federal programs for the year ended June 30, 2020. Foothill Transit's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Foothill Transit's 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance 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 Foothill Transit's 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 Foothill Transit's compliance.

Opinion on Each Major Federal Program

In our opinion, Foothill Transit 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, 2020.

Report on Internal Control Over Compliance

Management of Foothill Transit 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 of compliance, we considered Foothill Transit's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the Uniform Guidance, 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 Foothill Transit's 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Los Angeles, California
December 4, 2020

FOOTHILL TRANSIT, A JOINT POWERS AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year ended June 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issues on whether the financial statements audited were prepared in accordance with GAAP:

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified not considered to be material weaknesses? Yes None Reported

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

Any audit finding disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

CFDA Numbers 20.507 / 20.526
20.514

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

Auditee qualified as low-risk auditee? Yes No

FOOTHILL TRANSIT, A JOINT POWERS AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year ended June 30, 2020

SECTION II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS, WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

None

SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS AS DEFINED IN TITLE 2 U.S. CODE OF FEDERAL REGULATIONS PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

None



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
TRANSPORTATION DEVELOPMENT ACT AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE**

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, California

Report on Compliance with Transportation Development Act

We have audited Foothill Transit's compliance with the types of compliance requirements described in the Transportation Development Act (TDA) Conformance Auditing Guide, the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Guidelines, and the Low Carbon Transit Operations Program (LCTOP) Final Guidelines published by the State of California Department of Transportation (collectively, "Transportation Development Act"), that could have a direct and material effect on Foothill Transit's compliance with the Transportation Development Act for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Transportation Development Act.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Foothill Transit's Transportation Development Act program 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 the Transportation Development Act. Those standards 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 the Transportation Development Act program occurred. An audit includes examining, on a test basis, evidence about Foothill Transit's 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 the Transportation Development Act program. However, our audit does not provide a legal determination of Foothill Transit's compliance.

Opinion on the Transportation Development Act Program

In our opinion, Foothill Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Transportation Development Act program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Foothill Transit 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 of compliance, we considered Foothill Transit's internal control over compliance with the types of requirements that could have a direct and material effect on the Transportation Development Act program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Transportation Development Act program and to test and report on internal control over compliance in accordance with the Transportation Development Act, 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 Foothill Transit's 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 the Transportation Development Act 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 the Transportation Development Act 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 the Transportation Development Act 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 the Transportation Development Act. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Los Angeles, California
December 4, 2020



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE WITH THE
PROPOSITION A AND PROPOSITION C DISCRETIONARY PROGRAMS,
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, California

Report on Compliance with Proposition A and Proposition C Discretionary Programs

We have audited Foothill Transit’s compliance with the types of compliance requirements described in the Proposition A and Proposition C Local Return Guidelines and the Memorandums of Understanding for Proposition A 40% Discretionary Grant Funds and Proposition C 40% Discretionary Funds approved by Los Angeles County Metropolitan Transportation Authority (LACMTA) (collectively “Proposition A and Proposition C Discretionary Programs”), that could have a direct and material effect on Foothill Transit’s compliance with the Proposition A and Proposition C Discretionary Programs for the year ended June 30, 2020.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to Proposition A and Proposition C Discretionary Programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Foothill Transit’s Proposition A and Proposition C Discretionary 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 the Proposition A and Proposition C Discretionary Programs. Those standards 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 the Proposition A and Proposition C Discretionary Programs occurred. An audit includes examining, on a test basis, evidence about Foothill Transit’s 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 the Proposition A and Proposition C Discretionary Programs. However, our audit does not provide a legal determination of Foothill Transit’s compliance.

Opinion on the Proposition A and Proposition C Discretionary Programs

In our opinion, Foothill Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Proposition A and Proposition C Discretionary Programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Foothill Transit 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 of compliance, we considered Foothill Transit’s internal control over compliance with the types of requirements that could have a direct and material effect on the Proposition A and Proposition C Discretionary Programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Proposition A and Proposition C Discretionary Programs and to test and report on internal control over compliance in accordance with the Proposition A and Proposition C Discretionary Programs, 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 Foothill Transit’s 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 the Proposition A and Proposition C Discretionary Programs 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 the Proposition A and Proposition C Discretionary Programs 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 the Proposition A and Proposition C Discretionary Programs 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 the Proposition A and Proposition C Discretionary Programs. Accordingly, this report is not suitable for any other purpose.

Los Angeles, California
December 4, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH THE MEASURE R PROGRAM AND REPORT AND ON
INTERNAL CONTROL OVER COMPLIANCE**

To the Board of Directors
Foothill Transit (A Joint Powers Authority)
West Covina, California

Report on Compliance with Measure R Program

We have audited Foothill Transit's compliance with the types of compliance requirements described in Measure R Local Return Guidelines issued by Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Memorandum of Understanding Article 4 – Audit and Reporting Requirements between LACMTA and Foothill Transit (collectively "Measure R Program"), that could have a direct and material effect on Foothill Transit's compliance with the Measure R Program for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Measure R Program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Foothill Transit's Measure R Program 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 the Measure R Program. Those standards 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 the Measure R Program occurred. An audit includes examining, on a test basis, evidence about Foothill Transit's 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 the Measure R Program. However, our audit does not provide a legal determination of Foothill Transit's compliance.

Opinion on the Measure R Program

In our opinion, Foothill Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Measure R Program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Foothill Transit 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 of compliance, we considered Foothill Transit's internal control over compliance with the types of requirements that could have a direct and material effect on the Measure R Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Measure R Program and to test and report on internal control over compliance in accordance with the Measure R Program, 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 Foothill Transit's 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 the Measure R 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 the Measure R 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 the Measure R 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 the Measure R Program. Accordingly, this report is not suitable for any other purpose.

Los Angeles, California
December 4, 2020



December 18, 2020

To: Governing Board

Subject: **Election Results Summary**

Recommendation

Receive and file the Election Results Summary for the November 3, 2020 General Election.

Analysis

The November 3, 2020 General Election included various local contests and measures, state propositions, Congressional races, and the national Presidential election. With municipal elections having recently been consolidated with California State primary and general elections, 12 of the 22 Foothill Transit joint powers agreement (JPA) cities had municipal contests appear on the ballot. A summary of the election results related to Foothill Transit is attached.

National Election:

Joseph Biden and Kamala Harris were elected as President and Vice President. At the time this report was written, 306 and 232 electoral votes are expected for President-elect Biden and President Trump, respectively, on December 14, when the electors cast their votes. On January 6, Congress will count the electoral votes and certify a winner.

The Democrats will retain their majority in the House of Representatives. As of December 1, they secured 222 seats while Republicans held onto 207, with 218 seats being a majority.

The majority in the U.S. Senate has yet to be determined. The State of Georgia will hold runoff elections on January 5 for its two U.S. Senate seats. No candidate received over 50 percent of the vote as required to prevent a runoff, as dictated by Georgia state law. If the Democratic candidates were to win both seats, the Senate would be split evenly with 50 seats each. The Vice President votes in tie-breaking situations, and therefore, newly elected Vice President Kamala Harris would be the deciding vote for the Democrats.

Foothill Transit's Washington, D.C. advocate Jan Powell will be present at the meeting and will provide an overview of national election results. Jan will specifically focus on efforts to provide additional funding for transit services.



Congressional Elections:

The contests for congressional district seats representing Foothill Transit's JPA cities and service area are included in the attached summary. Incumbents in the 27th (Rep. Judy Chu), 28th (Rep. Adam B. Schiff), 32nd (Rep. Grace F. Napolitano), 35th (Rep. Norma J. Torres), and 38th (Rep. Linda T. Sánchez) Congressional districts were re-elected to their offices. The incumbent for the 39th Congressional District Gil Cisneros was defeated by Young Kim.

The election of Kamala Harris as Vice President leaves her Senate seat vacant. Governor Newsom is expected to appoint someone to fill that vacancy, and he has indicated that he will do so before the January 20 Presidential Inauguration date.

State Elections and Measures:

The contests for State Senate and Assembly district seats representing Foothill Transit's JPA cities and service area are included in the attached summary. Senator Anthony J. Portantino was re-elected to the 25th State Senate District, while Josh Newman defeated incumbent Ling Ling Chang in the 29th State Senate District. At the State Assembly level, the incumbents in the 41st (Assemblymember Chris Holden), 48th (Assemblymember Blanca Rubio), 49th (Assemblymember Ed Chau), 52nd (Assemblymember Freddie Rodriguez), 55th (Assemblymember Phillip Chen), and 58th (Assemblymember Cristina Garcia) State Assembly districts were re-elected to their seats. Lisa Calderon was elected fill to the 57th State Assembly District seat that was vacated by Assembly Majority Leader Ian Calderon, who did not seek re-election.

Two state measures on the November ballot had the potential to affect Foothill Transit. Proposition 16, which did not pass, would have permitted government employment and contracting policies to consider race, sex, color, ethnicity, or national origin to address diversity to the extent allowed under federal and state law. Proposition 22 was passed, and classifies app-based drivers as "independent contractors" instead of "employees." This proposition overrides a state law enacted last year by Assembly Bill 5 that required companies to reclassify their independent contractors as "employees," and entitled workers classified as "employees" to greater labor protections, such as minimum wage laws, sick leave, unemployment and workers' compensation benefits, which do not apply to independent contractors.



Local Elections:

Contests appearing on the ballot for Los Angeles County were not directly within the First, Fourth, or Fifth Districts of the County that comprises Foothill Transit's JPA and service area. George Gascón and Holly Mitchell were successful in their bid for District Attorney and the Second Supervisorial District seat, respectively. The addition of Supervisor Mitchell makes the LA County Board of Supervisors all-female for the first time in history.

Municipalities within the Foothill Transit JPA that held elections for city council and/or mayoral seats included the Cities of Baldwin Park, Claremont, Diamond Bar, Duarte, El Monte, Irwindale, La Puente, Pasadena, Pomona, South El Monte, Walnut, and West Covina, and are included in the attached summary.

Sincerely,

David Reyno
Director of Government Relations

Doran J. Barnes
Chief Executive Officer

Attachment

November 2020 General Election: Municipal Races

Jurisdiction	Seat	Candidates	Votes	Percentage
Baldwin Park	Mayor	Emmanuel J. Estrada	11,953	54.28%
		Manuel Lozano *	10,066	45.72%
	Council (2 Seats)	Jean M. Ayala*	8,817	25.22%
		Daniel "Danny" Damian	9,531	27.26%
		Monica Garcia*	11,228	32.11%
		Mario Maciel Jr.	5,390	15.41%
Claremont	1st District	Corey Calaycay **	1,666	38.15%
		Christine Margiotta	1,240	28.39%
		Zach Courser	971	22.23%
		Ethan M. Reznik	490	11.22%
	5th District	Michael Ceraso	1,065	31.82%
		Donell Clark	159	4.75%
		Silviano "Sal" Medina	1,460	43.62%
		Bennett Rea	663	19.81%
Diamond Bar	Council (2 Seats)	Sam Castorena Jr.	3,652	9.14%
		Stan Liu	8,135	20.36%
		Ruth Low *	12,748	31.91%
		Jennifer "Fred" Mahlke *	6,475	16.21%
		Aaron McElrea	1,689	4.23%
		Tommy Orona	2,321	5.81%
		Bill Rawlings	4,926	12.33%
Duarte	3rd District	Liz Reilly *	767	46.65%
		Jody Schulz	877	53.35%
El Monte	Mayor	Jessica Ancona †	11,677	44.01%
		Andre Quintero *	9,204	34.69%
		Irma L. Zamorano	5,650	21.30%
	Council (2 Seats)	Victoria "Vicky" Martinez *	11,108	27.24%
		Alma D. Puente	13,625	33.41%
		Gabriel Ramirez	7,759	19.03%
		Jerry Velasco *	8,285	20.32%
Irwindale	Council (3 Seats)	Mark A. Breceda *	475	24.66%
		Larry G. Burrola **	394	20.46%
		Manuel R. Garcia *	432	22.43%
		Jason Hickman	360	18.69%
		Ebella "Ebby" Reyes Ortiz	265	13.76%
La Puente	Council (3 Seats)	David E. Argudo	5,815	23.64%
		Dan Holloway *	3,365	13.68%
		Violeta Maria Lewis **	4,904	19.94%
		Gabriel Quiñones	5,648	22.96%
		John Michael Solis *	4,865	19.78%
Pasadena	Mayor	Victor M. Gordo	37,184	54.82%
		Terry Tornek *†	30,650	45.18%
Pomona	Mayor	Jesus Villagomez Campos	1,742	3.81%
		Jacqueline Elizalde	12,106	26.47%
		Mohammad H. Kamyab	1,756	3.84%
		Gustavo Ernesto Nuñez	1,714	3.75%
		Tim Sandoval **	28,421	62.14%
	1st District	Virgilio (Jojo) Pico Doniza	653	9.77%
		Geny P. Mejia	2,944	44.05%
	4th District	John Nolte	3,086	46.18%
		Elizabeth Ontiveros-Cole *	4,574	56.49%
	6th District	Chara Nicole Swodeck	3,523	43.51%
Debra Martin		3,644	33.77%	
Siraj A. Muhammad		729	6.76%	
Miranda Sheffield		2,213	20.51%	
		Robert Torres **	4,204	38.96%
South El Monte	Mayor	Gloria Olmos **	5,035	100.00%
		Richard Angel *	2,137	24.31%
	Council (2 Seats)	Brandon Angel	1,608	18.30%
		Rudy Bojorquez	1,985	22.59%
		Hector Delgado **	3,059	34.80%
Walnut	Council (3 Seats)	Eric Ching *	6,230	19.21%
		Vivian Elias	3,950	12.18%
		Linda Freedman	7,296	22.49%
		Abel Martinez	3,546	10.93%
		Nancy Renne Tragarz **	7,202	22.20%
		Eric Wang	4,214	12.99%
West Covina	1st District	Brian Gutierrez	3,053	37.69%
		Lloyd A. Johnson *	1,710	21.11%
		Brian Tabatabai	3,337	41.20%
	3rd District	Steve Bennett	1,668	18.89%
		Rosario Diaz	3,738	42.34%
		Colleen B. Rozatti	1,731	19.61%
		Jessica C. Shewmaker *	1,691	19.15%

Incumbent is marked with an asterisk (); Foothill Transit Governing Board member marked with an obelisk (†); Foothill Transit Governing Board alternate member marked with a diesis (‡)*

Source: Los Angeles County Registrar-Recorder/County Clerk's Office as of 11/30/20 at 15:50:37 (<https://www.lavote.net/>)

November 2020 General Election: County, State, Federal

Election/ Jurisdiction/ Ballot Measure	Candidates/ Positions	Votes	Percentage
U.S. President and Vice President	Democratic: Joseph R. Biden (President) Kamala D. Harris (Vice President)	306	56.9%
	Republican: Donald J. Trump* (President) Michael R. Pence* (Vice President)	232	43.1%
27th U.S. House District	Johnny J. Nalbandian (R) Judy Chu (D) *	95,907 221,411	30.2% 69.8%
28th U.S. House District	Eric Early (R) Adam B. Schiff (D) *	91,928 244,271	27.3% 72.7%
32nd U.S. House District	Joshua M. Scott (R) Grace F. Napolitano (D) *	86,818 172,942	33.4% 66.6%
35th U.S. House District	Norma J. Torres (D) * Mike Cargile (R)	169,405 74,941	69.3% 30.7%
38th U.S. House District	Michael Tolar (D) Linda T. Sánchez (D) *	64,035 187,630	25.4% 74.6%
39th U.S. House District	Gil Cisneros (D) * Young Kim (R)	169,837 173,946	49.4% 50.6%
25th State Senate District	Kathleen Hazelton (R) Anthony J. Portantino (D) *	166,529 295,432	36.0% 64.0%
29th State Senate District	Josh Newman (D) Ling Ling Chang (R) *	214,456 203,762	51.3% 48.7%
41st State Assembly District	Chris Holden (D) * Robin A. Hvidston (R)	160,878 85,604	65.3% 34.7%
48th State Assembly District	Blanca E. Rubio (D) *	126,430	100.0%
49th State Assembly District	Burton Brink (R) Ed Chau (D) *	50,988 107,976	32.1% 67.9%
52nd State Assembly District	Toni Holle (R) Freddie Rodriguez (D) *	52,022 112,165	31.7% 68.3%
55th State Assembly District	Phillip Chen (R) * Andrew E. Rodriguez (D)	125,212 102,683	54.9% 45.1%
57th State Assembly District	Jessica Martinez (R) Lisa Calderon (D)	74,371 114,122	39.5% 60.5%
58th State Assembly District	Cristina Garcia (D) * Margaret Villa (G)	122,864 41,100	74.9% 25.1%
County District Attorney	Jackie Lacey * George Gascón	1,738,617 2,002,865	46.47% 53.53%
County Supervisor, 2nd District	Holly J. Mitchell Herb J. Wesson Jr.	387,930 252,545	60.57% 39.43%
State Ballot Measure - Proposition 16 <i>Allows Diversity as a Factor in Public Employment, Education, and Contracting Decisions. Legislative Constitutional Amendment.</i>	Yes No	7,206,911 9,634,893	42.8% 57.2%
State Ballot Measure - Proposition 22 <i>Exempts App-Based Transportation and Delivery Companies From Providing Employee Benefits to Certain Drivers. Initiative Statute.</i>	Yes No	9,940,449 7,014,824	58.6% 41.4%

Incumbent marked with an asterisk (*)

Sources: Associated Press as of 12/01/2020 at 3:36 PM;

California Secretary of State's Office as of 11/30/20 at 5:00 PM (<http://vote.sos.ca.gov/>);

Los Angeles County Registrar-Recorder/County Clerk's Office as of 11/30/20 at 15:50:37 (<https://www.lavote.net/>)



December 18, 2020

To: Executive Board

Subject: **Executive and Governing Board Meeting Schedule for 2021**

Recommendation

Receive and file an update on the Executive and Governing Board Meeting Schedule for 2021.

Analysis

At the October 30, 2020 Executive Board Meeting, the Executive Board adopted the meeting schedule for 2021. Foothill Transit’s Joint Powers Agreement (JPA) requires that meetings be fixed by resolution. The schedule of Executive and Governing Board meetings and the annual meeting of the Governing Board are shown on the attached meeting schedule (Attachment A).

In preparing the 2021 schedule, the Executive Board directed staff to conduct a survey of the Governing Board to get feedback in regards to the number of Governing Board meetings held and the meetings start time. The survey was emailed to the 25-member Governing Board on October 7, 2020 and resent on October 14, 2020. We received a total of 13 responses. Below are the survey results.

Question 1: We currently hold nine governing board meetings per year, Is that...	
Answer Choice	Responses
Too many?	3
Too few?	3
Just the right amount.	7

Question 2: Governing Board meetings are currently held from 7:45 a.m. to 9:00 a.m., Is that...	
Answer Choice	Responses
Convenient?	12
Inconvenient?	1
Question 3: If inconvenient, what alternative time would be better?	
1 response	8:00 a.m.



Question 4: Please share your suggestions for improving the Governing Board meeting structure.

Responses

- I think I need an orientation, not sure of board members' role
- I think format is fine - still progressing - so no major change needed
- 9 meetings appear adequate however at any time required/desired, additional meetings should be scheduled
- Has been very challenging remotely and staff is doing a spectacular job handling it
- Five meetings per year would be plenty

At times, it may be necessary to modify the meeting schedule due to business issues that arise. Notification will be provided in a timely manner of any possible date or time changes and proper notifications will be posted.

Sincerely,

Christina Lopez
Board Secretary

Doran J. Barnes
Chief Executive Officer

Attachment



Foothill Transit

2021 Executive & Governing Board Meetings Schedule

January 2021	Friday, January 29 @ 7:45 a.m. – Governing Board Meeting Friday, January 29 @ 9:15 a.m. – Executive Board Meeting
February 2021	Friday, February 26 @ 8:00 a.m. – 3:00 p.m. – Strategic Planning Workshop, Location TBD
March 2021	Friday, March 26 @ 7:45 a.m. – Governing Board Meeting Friday, March 26 @ 9:15 a.m. – Executive Board Meeting
April 2021	Friday, April 30 @ 7:45 a.m. – Governing Board Meeting Friday, April 30 @ 9:15 a.m. – Executive Board Meeting
May 2021	Friday, May 28 @ 7:45 a.m. – Annual Governing Board Meeting Friday, May 28 @ 9:15 a.m. – Executive Board Meeting
June 2021	Friday, June 25 @ 7:45 a.m. – Governing Board Meeting Friday, June 25 @ 9:15 a.m. – Executive Board Meeting
July 2021	Friday, July 23 @ 8:00 a.m. – Executive Board Meeting
August 2021	Friday, August 27 @ 7:45 a.m. – Governing Board Meeting Friday, August 27 @ 9:15 a.m. – Executive Board Meeting
September 2021	Friday, September 24 @ 7:45 a.m. – Governing Board Meeting Friday, September 24 @ 9:15 a.m. – Executive Board Meeting
October 2021	Friday, October 29 @ 7:45 a.m. – Governing Board Meeting Friday, October 29 @ 9:15 a.m. – Executive Board Meeting
November 2021	No meetings scheduled in November
December 2021	Friday, December 17 @ 7:45 a.m. – Governing Board Meeting Friday, December 17 @ 9:15 a.m. – Executive Board Meeting



December 18, 2020

To: Governing Board

Subject: **Public Transportation Agency Safety Plan Update (PTASP)**

Recommendation

Receive and file an update on Foothill Transit's Public Transportation Agency Safety Plan (PTASP).

Analysis

Foothill Transit's mission is to be the premier public transit provider committed to safety, courtesy, quality, responsiveness, efficiency, and innovation. In addition, listed first among our organizational values is Accountability which includes a strong focus on safety.

In keeping with Foothill Transit's organizational focus on safety, we have developed a robust safety and security program that is implemented in partnership with our two transit operations contractors and our customer service and facilities maintenance contractor.

On July 19, 2019, the Federal Transportation Administration (FTA) mandated that all public transit agencies that receive federal funding create, approve, and implement their own Public Transportation Agency Safety Plan (PTASP) no later than July 20, 2020. The regulation stipulates that agencies who operate more than 100 buses during revenue hours have an approved PTASP.

Foothill Transit's PTASP was adopted by the Executive Board at their meeting on January 31, 2020 and submitted to the Southern California Association of Governments (SCAG) on February 27, 2020 to fulfill the requirement.

Foothill Transit's PTASP (Attachment A) will be updated annually to ensure that it continues to prioritize and address the safety issues impacting the organization. Updates on the organization's safety performance will be provided to the board throughout the year.

The regulation calls for agencies to prioritize areas of primary safety focus in order to ensure improvement in these areas. The basic requirement is that each agency track and manage:

- Total number and rate of Injuries per total vehicle revenue mile;



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Public Transportation Agency Safety Plan Update
Page 2

- Total number and rate of Fatalities per total vehicle revenue mile;
- Total number and rate of Safety Events per total vehicle revenue mile; and
- Mean Distance between Major Mechanical Failures

The FTA's definitions of each of these measures is as follows:

Injury: Any damage or harm to persons as a result of an event that requires immediate medical attention away from the scene.

Fatality: A death or suicide confirmed within 30 days of a reported event. This does not include deaths in or on a transit property that are a result of illness or other natural causes.

Safety Event: A collision, derailment, fire, hazardous material spill, act of nature (Act of God), evacuation, or Other Safety Occurrence Not Otherwise Classified (OSONOC) occurring on transit right-of-way, in a transit revenue facility, in a transit maintenance facility, or involving a transit revenue vehicle and meeting established NTD thresholds.

Major Mechanical Failure: A failure of some mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns.

While the FTA does not dictate other performance areas or targets, it encourages each agency to look at other areas of improvement and develop key performance indicators to support the development of a more robust PTASP.

The table below shows historical performance in each of these areas that was used in developing the PTASP performance targets for FY2021, along with the observed performance in the first four months of FY2021 (July through October 2020).



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		FY2020 Actual	FY2020 July - Oct	FY2021 July - Oct	FY2021 Target
Fatalities	Number	0	0	0	0
	Rate per 100,000 Revenue Miles	0	0	0	0
Preventable Collisions on Road	Rate per 100,000 Total Miles	0.82	1.13	0.59	< 0.80
Injuries	Number	14	7	3	< 6
	Rate per 100,000 Revenue Miles	0.11	0.17	0.07	< 0.05
Safety Events	Number	24	6	17	< 25
	Rate per 100,000 Revenue Miles	0.55	0.14	0.40	< 0.20
System Reliability	Miles between Major Mechanical Failures	-	-	28,962	> 11,250

Fatalities - There have been zero fatalities on Foothill Transit service during the first four months of FY 2021. To ensure continued emphasis on achieving this performance target, our contractors focus heavily on the safety of our customers and the public. The training that is provided to all operators highlights the need and tactics to be safe while operating all Foothill Transit vehicles.

Preventable Collisions - During the months of July - October of FY 2021 there were 33 Preventable Collisions on Road resulting in a key performance indicator ratio of 0.59 per 100,000 miles. This is a 48 percent decrease compared to the same time last year. This reduction in preventable collisions



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can be attributed to the L.A. County Safer-At-Home Health Order which greatly reduced traffic on all roadways. Our transit service contractors have taken steps to ensure that we continue to achieve low numbers of preventable collisions. They conduct individual training for operators who were involved in collisions and they also regularly conduct safety meetings. In addition, contractor radio dispatchers issue daily safety messages for all operators to provide defensive driving techniques and prevent these collisions. These all have the goal of continuing to focus on safe operations.

Injuries - Last fiscal year, 14 injuries that required medical transportation were reported for the entire year. During the first four months of the last fiscal year there were a total seven injuries. During the same period this year, three injuries have occurred. There may have been other events that resulted in an injury, however, in each instance the affected customer refused assistance and refused to file an injury report. As such, the reported number of injuries is only three for this reporting period. This performance is a 56 percent decrease compared to the same time last year. To ensure continuous improvement, Foothill Transit's contractors' safety teams have reviewed the incidents that could have resulted in an injury and have updated their training plans to include actions that the operator could have taken to reduce the likelihood of such injuries in the future.

Safety Events - Another important indicator is Safety Events. Year-to-date through October, we have experienced 17 Safety Events. These have occurred during the provision of 4,155,086 miles of Revenue Service, producing a rate of 0.40 Safety Events per 100,000 Revenue Miles, which exceeds the FY2021 performance target of 0.20 Safety Events per 100,000 Revenue Miles. This increase in safety events is partially due to our implementation of rear boarding to provide for physical distancing between the coach operator and customers. Customers had been directed to use the rear doors to board and alight, which can present a safety risk if an operator fails to pull the bus close enough to and parallel to the curb, and this has resulted in safety events. Our contractors have implemented enhanced refresher training to ensure coach operators observe proper procedures as they approach the bus stop to provide a safe distance for customers to board and disembark.

In addition to the increase in the number of trip and fall incidents, we have also experienced four thermal incidents involving our electric buses and overhead charging infrastructure within the past 16 months. Of those, two have been investigated and the root causes identified and addressed. The two most recent events are currently under investigation by an independent



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electrical engineering consultant engaged by Foothill Transit. The electric bus fleet and overhead chargers impacted have been placed out of service until the investigations are completed and we can be assured that the affected buses and overhead chargers can be safely returned to service.

We are currently nearing the completion of a project to retrofit our fleet with driver barriers. The barriers are a safety and security feature with a Plexiglas shield to further protect the operator from airborne pathogens. This addition has allowed restoration of front door customer boarding on those buses equipped with the barriers. Along with the heightened focus on proper procedure while pulling in to a bus stop, restoration of front door boarding appears to have reduced the number of safety events that are occurring within our system.

System Reliability - The metric used to measure the safety aspect of system reliability is Miles between Major Mechanical Failures. In developing the performance indicator target for FY2021, Foothill Transit used our prior system reliability measure of Miles between Technical Road Calls as we did not have ready access to accurate historical data for major mechanical failures. A Technical Road Call is any mechanical fault that requires a mechanic to be present. Technical Road Calls are more frequent and on most occasions the bus is able to continue on its route. Major Mechanical Failures occur much less frequently and usually require the vehicle to be towed away from the scene. The results above show performance that significantly surpasses the target because of the discrepancy in the definition that was used. In developing the target for FY2022, actual performance on the frequency of Major Mechanical Failures during the current fiscal year is available and will be used.

The numbers highlighted in the chart above reflect our dedication to safety. Foothill Transit works closely with all of our contractors to ensure the safety and security of our system. As noted above, the safety events indicator saw a slight increase due to the operational adjustments related to COVID-19 that were made to our service, and our contractors have taken steps to address this issue by conducting service stop audits, supervisor and manager ride-alongs with operators, and conducting focused safety campaigns.

In addition to the adopted targets above, two new safety performance indicators will be recommended for inclusion in Foothill Transit's FY2022 PTASP. The number and rate of Operator Assaults, which will be presented for Board consideration when the FY2022 PTASP targets are considered by



the Board. The performance indicators to be proposed for inclusion will focus on reducing instances of operator assaults. The new performance indicator will monitor the number and frequency of assaults that occur within the system, and will allow us to measure the effectiveness of protocols implemented to prevent assaults. This data and any other appropriate safety metrics will be included in the regular PTASP updates that will be presented to the Board for consideration.

The table below provides a history of the number and frequency of reported operator assaults in prior years as well as the number and frequency of operators assaults this year. Methods to encourage thorough and accurate reporting of these situations is underway and it is anticipated that this will reflect in identifying additional measures to reduce the number of occurrences.

		FY2020 Actual	FY2020 July - Oct	FY2021 July - Oct
Operator Assaults	Number	12	0	5
	Operator Assaults per 100,000 passenger boardings	0.09	0.00	0.11

Operator Assaults - Foothill Transit has taken a proactive approach when it comes to the safety of our operators and customers. Since 2016, operator barriers have been included in the specifications for all new buses procured. Since March 2020, we have noticed an increase in incidents of assaults on coach operators. The incidents have been related to the enforcement of COVID-19 safety guidelines. A project of retrofitting existing coaches with operator barriers was initiated earlier this year and this project is now near completion. It should be noted that approximately 18 buses that are slated for retirement in the coming months, will not be retrofitted with operator barriers. To the greatest extent possible, these buses will be reserved for operator training. Also, an operator barrier that is compatible with the design and construction of the 32 Proterra battery electric buses is being sought.



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In addition to providing our contractors' coach operators with another layer of safety from physical assaults, the barriers offer additional protection that complies with current physical distancing guidelines and provides a physical barrier between the operators and customers. The barriers allow the operators to safely continue to provide outstanding customer service while complying with all current COVID-19 safety guidelines.

Since March 2020, our day to day operations have been impacted by the COVID-19 pandemic and we have developed and implemented a Pandemic Response Plan that allows us to address, manage, and mitigate any future pandemics. Foothill Transit's Pandemic Response Plan focuses on employee safety, recommended disinfecting practices, and the use of proper personal protective equipment. As we progress through the various stages of the County Health Order, the plan will be updated as needed to ensure it is responsive to the guidelines established by the Department of Public Health.

As stated earlier, Foothill Transit's PTASP is a living document with targets that are monitored on an ongoing basis to ensure we keep a proactive focus on safety and achieve improved performance. It will be updated annually to ensure that it continues to prioritize and address the safety issues impacting the organization. Updates on the organization's safety performance will be provided to the board throughout the year.

Sincerely,

Kevin Parks McDonald
Deputy Chief Executive Officer

Doran J. Barnes
Chief Executive Officer

LaShawn King Gillespie
Director of Customer Service and Operations

Attachment



Foothill Transit

Public Transportation Agency Safety Plan

January 31, 2020

Foothill Transit Public Transportation Agency Safety Plan

1. Transit Agency Information

Foothill Transit, 100 S Vincent Ave, Suite 200 West Covina, Ca 91790

Accountable Executive: Kevin Parks McDonald, Deputy Executive Director

Chief Safety Officer: LaShawn King Gillespie, Director of Customer Service & Operations

Mode of Service Covered by This Plan: Bus

List All FTA Funding Types:

- Federal Urban Area Formula Program (Section 5307)

- Federal Buses and Bus Facilities and Low-or No-Emission Program (Section 5339)

- Federal State of Good Repair Program (Section 5337)

- Federal Congestion Mitigation and Air Quality (CMAQ)

Foothill Transit Contracts operation of its services to Transdev Services Incorporated and Keolis Transit Services LLC. Additionally, customer service and facility maintenance services are contracted to Transdev Services Incorporated

Foothill Transit Public Transportation Agency Safety Plan

2. Plan Development, Approval, and Updates

This plan has been drafted by Foothill Transit.

Signature



Accountable Executive

January 31, 2020
DATE

Approved by the Foothill Transit Executive Board on January 31, 2020
DATE

Version Number and Updates			
<i>Record the complete history of successive versions of this plan.</i>			
Version Number	Section/Pages Affected	Reason for Change	Date Issued

The Public Transportation Agency Safety Plan will be updated annually. It is Foothill Transit's goal to have a signed and approved plan three months prior to the required submission date. This will give Foothill Transit adequate time to make corrections to the plan should there be a need to make changes. The plan will be reviewed regularly during the course of each year. During this review Foothill Transit staff will analyze safety performance to:

1. Determine if new Safety Performance targets should be established;
2. Determine whether increased Safety Promotion related to safety events is necessary; and
3. Ensure that the agency's Safety Assurance mechanisms are mitigating the current and most frequent safety events.

3. Safety Performance Targets

Preventable Collisions per Vehicle Mile	0.80
Fatalities	0
Fatalities per Revenue Mile	0
Injuries	6
Injuries per Revenue Mile	0.05
Safety Events	25
Safety Events per Revenue Mile	0.20
Mean Distance between Major Mechanical Failures	11,250

Foothill Transit Public Transportation Agency Safety Plan

4. Safety Management Policy

Safety is Foothill Transit's number one priority. We educate, encourage, and endorse a strong culture of safety at all levels of the organization, valuing the responsibility entrusted in us by the communities that we serve. Foothill Transit is committed to developing, implementing, maintaining, and constantly improving processes to ensure that all of our transit service delivery activities take place under a balanced allocation of organizational resources, aimed at achieving the highest level of safety performance and meeting and exceeding established standards.

All levels of management and all employees are accountable for the delivery of this highest level of safety performance, starting with our Executive Director.

Foothill Transit's commitment is to:

- Support the management of safety through the provision of appropriate resources, that will result in an organizational culture that fosters safe practices, encourages effective employee safety reporting and communication, and actively manages safety with the same attention to results as the attention to the results of the other management systems of the organization;
- Integrate the management of safety among the primary responsibilities of all managers and employees;
- Clearly define for all staff, contractors, managers, and employees alike, their accountabilities and responsibilities for the delivery of the organization's safety performance and the performance of our safety management system;
- Establish and operate hazard identification and analysis, and safety risk evaluation activities, including an employee safety reporting program as a fundamental source for safety concerns and hazard identification, in order to eliminate or mitigate the safety risks of the consequences of hazards resulting from our operations or activities to a point which is consistent with our acceptable level of safety performance;
- Ensure that no action will be taken against any employee who discloses a safety concern through the employee safety reporting program, unless disclosure indicates, beyond any reasonable doubt, an illegal act, gross negligence, or a deliberate or willful disregard of regulations or procedures;
- Comply with, and wherever possible exceed, legislative and regulatory requirements and standards;
- Ensure that sufficient skilled and trained human resources are available to implement safety management processes;

Foothill Transit Public Transportation Agency Safety Plan

- Ensure that all staff are provided with adequate and appropriate safety-related information and training, are competent in safety management matters, and are allocated only tasks commensurate with their skills;
- Establish and measure our safety performance against realistic and data-driven safety performance indicators and safety performance targets;
- Continually improve our safety performance through management processes that ensure that appropriate, effective safety management action is taken; and
- Ensure that externally supplied systems and services to support our operations meet our safety performance standards.

Safety Management Policy Communication

Foothill Transit communicates safety policy through various channels to direct staff, contract management, and contracted staff. The agency uses safety boards that are located in the operator lounges, throughout the maintenance facility, at Transit Stores, and throughout the administrative offices. Safety related information is posted for all staff and contractor personnel to see. Foothill Transit also works together with all contractors to ensure that Foothill Transit's targets, goals, and expectations are achieved in the performance of its service.

Authorities, Accountabilities, and Responsibilities

The Accountable Executive has the ultimate responsibility for carrying out the Agency Safety Plan. The Accountable Executive is also responsible for the development and implementation of the agency's Safety Management System (SMS). This makes the accountable executive responsible for ensuring that the agency's SMS is effectively implemented, and actions are taken, as necessary, to address substandard performance.

The Chief Safety Officer is responsible for the day-to-day implementation of the Safety Management System. They are responsible for reporting any substandard performance of the SMS directly to the accountable executive.

Agency Leadership contributes to the implementation of the SMS by enforcing and reporting substandard performance that occur in each individual operating facility. Each Foothill Transit operations and maintenance facility has its own safety team that is responsible for implementing and monitoring the progress of their SMS responsibilities. Functional areas across the administrative team are share in safety responsibilities.

- Customer Service and Operations
 - Provide contractor oversight particularly in the areas of operations and safety
 - Manage emergency preparedness

Foothill Transit Public Transportation Agency Safety Plan

- Planning
 - Evaluate safety implications of all proposed system modifications prior to implementation, including but not limited to implementing new routes and modifying current routes
 - Conduct bus stop safety checks and work with local jurisdictions to address any safety concerns
- Maintenance and Vehicle Technology
 - Manage and ensure state of good repair of all revenue vehicles
 - Provide vehicle mechanical quality oversight
 - Regularly update bus specifications to ensure the Foothill Transit fleet meets and exceeds safety requirement for bus safety design
 - Ensure electric bus safety (infrastructure, training)
 - Conduct monthly maintenance and appearance inspections of revenue and non-revenue vehicles
- Facilities
 - Manage and ensure state of good repair of all buildings and equipment
 - Provide oversight of all Foothill Transit physical assets
 - Conduct monthly audits of Operations and Maintenance yards
- Finance and HR
 - Ensure Foothill Transit's new hire onboarding includes appropriate orientation to Foothill Transit's SMS and PTASP
- Information Technology
 - Provide security for all network and electronic communications assets
- Marketing and Communications
 - Manage effective internal and external safety communication
- Procurement
 - Ensure scopes of work and technical specifications include appropriate safety considerations
- Operations and Maintenance Contractors
 - Contractor responsibilities outlined in current Operations and Maintenance contracts

Foothill Transit Public Transportation Agency Safety Plan

- Transit Stores and Facilities Maintenance Contractor
 - Contractor responsibilities for operation of the retail outlets and call centers and facility maintenance outlined in current contract

Objectives

To achieve the safety mission, Foothill Transit has established the following objectives for itself and its operations and maintenance contractors:

- Perform annual audits of operations and maintenance contractors to ensure compliance with SMS
- Identify and resolve hazards through an established employee reporting system
- Conduct emergency drills at administration building, Transit Stores, and operations and maintenance facilities
- Establish and monitor Preventable Collision benchmark
- Establish and monitor Injury benchmarks
- Establish and monitor Fatality benchmarks
- Establish and monitor Safety Event benchmarks
- Establish and monitor System Reliability benchmark
- Meet and exceed safety requirements in design specifications, engineering, facility construction, equipment and systems installation and testing, and in operations and maintenance
- Evaluate safety implications of all proposed transit system modifications (routes, bus stops, facilities, etc.) prior to implementation

Employee Safety Reporting Program

Foothill Transit has a robust employee reporting program which uses technology, in person meetings, incident feedback, and comment boxes. Foothill Transit has placed several employee comment boxes throughout its facilities to allow employees and contractor personnel to identify any concern that they may have at the work place. All employees and contractor personnel are encouraged to use the comment boxes and are rewarded if the comment is valid and it produces positive results. Operators also have the opportunity to submit a report at the end of their shift. Other direct and contractor staff may submit reports at any time. This allows management to address any risks that are occurring outside of the facility. At no time will an employee be disciplined or punished for submitting a comment.

Technology also plays a big part in the way we do business. We encourage supervisors and Foothill Transit facility teams to use our ELERTS application to report any risk that they observe in the field. This allows Foothill Transit to get real-time information of risks that are present within our system and gives

Foothill Transit Public Transportation Agency Safety Plan

us the opportunity to prioritize the risk depending on the level of damage that it could cause.

Foothill Transit Public Transportation Agency Safety Plan

5. Safety Risk Management

Hazards are an inevitable part of transit operations. Only after identifying those hazards can they be addressed. Sources of hazard information include safety reporting, formal and informal observations of operations, scheduled and unannounced inspections, internal safety investigations, accident reports, and committee reviews.

Employees at the administration building and operations and maintenance facilities are trained on how to report hazards or risks they identify or incidents and close calls they experience. This reporting is highly encouraged across the organization. All personnel, whether directly employed or employed by a contractor, are provided with various channels of reporting hazards and close calls. Reporting is encouraged using any channel an individual is most comfortable using. This includes verbally to supervisor or management staff, written by way of an incident report, or electronically using email or company portal.

If a hazard/incident is reported by a contractor employee, the safety manager at the contractor facility will document the hazard/incident on the designated Risk and Hazard Matrix and analyze, then communicate to the Safety and Planning staff at Foothill Transit. Foothill Transit does not own bus stops, bus stop shelters, or bus amenities located along city or county right of way. Foothill Transit does own the bus stop poles and bus stop signs, however, and staff at Foothill Transit will coordinate with facility technicians or appropriate city or county staff to mitigate hazards, and document this action through the Risk and Hazard Matrix. At those transit centers or park & ride facilities owned by Foothill Transit, safety hazards or incidents will be documented on the Risk and Hazard Matrix and addressed by Foothill Transit.

Each department at Foothill Transit will identify and manage their safety risks using the Risk and Hazard Matrix.

6. Safety Assurance

Safety Performance Monitoring and Measurement

- a. Foothill Transit currently tracks safety performance through the measure of Preventable Collisions/100,000 miles. This performance measure compares the number of preventable collisions that occur in a given time period (e.g., a month) to the total number of bus miles operated during the same time period.

A **Preventable Collision** is defined as a vehicle collision that is recorded involving a bus that has been judged to have been preventable as determined by the agency and that occurred on the road (i.e. outside of agency garages/depots or parking areas). Per the National Safety Council definition, a collision is considered preventable when “the driver in question failed to exercise every reasonable precaution to prevent the accident.” This should include any preventable vehicle collision, whether the bus is in or out of revenue service, and even if there is no need for special maintenance or repair afterwards. Preventable collisions that occur off-street at transit centers or bus stations are included here.

Calculation:

$$\text{Preventable Collisions per 100,000 Miles} = 100,000 \times \frac{\text{Number of Preventable Vehicle Collisions}}{\text{Total miles operated}}$$

Proposed FY 2020-2021 Target: 0.80 Preventable Collisions/100,000 Miles

- b. Foothill Transit will track and manage Total Injuries and Injuries/100,000 Revenue Miles. This performance measure compares the number of preventable injuries that occur in a given time period to the total number of bus revenue miles operated during the same time period.

The FTA definition of an **Injury** is one that requires immediate medical attention away from the scene for one or more persons, except in the case of Other Safety Occurrences Not Otherwise Classified (OSONOC).

Calculation:

$$\text{Injuries per 100,000 Revenue Miles} = 100,000 \times \frac{\text{Number of Passenger Injuries}}{\text{Total Revenue Miles operated}}$$

Proposed FY 2020-2021 Target: 6 Total Injuries, and 0.05 Injuries/100,000 Revenue Miles

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- c. Foothill Transit will track and manage the number of Fatalities and the number of Fatalities/100,000 Revenue Miles. This performance measure compares the number of fatalities that occur in a given time period to the total number of bus revenue miles operated during the same time period.

The FTA definition of a **Fatality** is a fatality that occurs within 30 days of a Reportable Safety Event.

Calculation:

$$\text{Fatalities per 100,000 Revenue Miles} = 100,000 \times \frac{\text{Number of Fatalities}}{\text{Total Revenue Miles operated}}$$

Proposed FY 2020-2021 Target: 0 Fatalities, and 0 Fatalities/100,000 Revenue Miles

- d. Foothill Transit will track and manage an additional key performance indicator, Reportable Safety Events and Reportable Safety Events/100k Revenue Miles. This performance measure compares the number of Reportable Safety Events that occur in a given time period to the total number of bus revenue miles operated during the same time period.

The FTA definition of a **Reportable Safety Event** is a Safety Event occurring on transit right-of-way or infrastructure, at a transit revenue facility, at a maintenance facility (or rail yard), during a transit related maintenance activity, or involving a transit revenue vehicle. Excluded from this event reporting requirement are: events that occur off transit property where affected persons, vehicles, or objects come to rest on transit property after the event, OSHA events in administrative buildings, deaths that are as a result of illness or other natural causes, other events (assault, robbery, non-transit vehicle collisions, etc.) occurring at bus stops or shelters that are not on transit-controlled property, collisions that occur while traveling to or from a transit-related maintenance facility, collisions involving a supervisor car, or other transit service vehicle operating on public roads.

Calculation:

$$\text{Reportable Safety Events per 100,000 Revenue Miles} = 100,000 \times \frac{\text{Number of Reportable Events}}{\text{Total Revenue Miles operated}}$$

Proposed FY 2020-2021 Target: 25 Reportable Safety Events, and 0.20 Reportable Safety Events/100,000 Revenue Miles

- e. Foothill Transit also tracks and manages the Average Fleet Miles between Major Mechanical Failures. This performance measure compares the number of Major Mechanical Failures that occur in a given time period to the total number of bus revenue miles operated during the same time period.

The FTA definition of a **Major Mechanical Failure** is a failure of some mechanical element of the revenue vehicle that prevents the vehicle from

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completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns.

Calculation:

$$\text{Mean Distance between Major Mechanical Failures} = \frac{\text{Revenue Miles operated}}{\text{Number of Major Mechanical Failures}}$$

Proposed FY 2020-2021 Target: 11,250 Miles between Major Mechanical Failures

Analyzing factors that relate to each of these indicators is a significant step in developing actions to prevent them. Measuring the number and rate of each indicator provides a high level measure from which future performance can be assessed.

Bus Yard Safety

Operations, Maintenance, and Contractor administration services are conducted at the bus yard. To create a safe workplace and protect employees and visitors from risk of injury, Foothill Transit requires its contractors to comply with local, state, and federal requirements including, but not limited to Job Hazard Analysis, Personal Protective Equipment, Hazard Communication, Emergency Action Plans, Blood borne Pathogens, Lockout/Tag out, and record keeping. Foothill Transit has provided the contractors with a Facility Maintenance Manual, and contractors are required to maintain the facility to Foothill Transit's standards as outlined in the Operations and Maintenance Contract. Foothill Transit staff conduct monthly audits to assess the safety of the bus yard.

Foothill Transit requires its contractors to provide a Bus Yard Safety Standard Operating Procedure to be distributed and acknowledged by all vendors that conduct work on-site the Operations and Maintenance facility. At a minimum, it must address:

- Job Hazard Analysis
- Personal Protective Equipment Program
- Lockout/Tag out

The Facility Maintenance Manual describes activities to monitor operations and to identify any safety risk mitigations that may be ineffective, inappropriate, or that were not implemented as intended.

Accident Investigation and Communication

Operations Contractors are required to conduct accident investigations on all accidents, injuries, illnesses, and near misses. Supervisors who conduct accident investigations are to be provided adequate accident investigation

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training. Accident investigation kits and materials are to be provided by the contractor. Preventability of accidents is investigated, determined, and communicated to staff by contractor. Additional information is included in the referenced contractor policies.

General Reporting/Investigation Practices

All person(s) operating a bus are required to report any injury or accident, regardless of severity, immediately after its occurrence. Enforcement and discipline is determined by the contractor, and post-accident training is also conducted by the contractor.

Management of Change

Route Implementation

Route creation and modification are conducted by the Planning staff in conjunction with staff in the Operations Department. Once a route is identified, a dry run is conducted to assess the safety and operability of the route. To ensure the safety and operability of the route, various stakeholders participate in the dry run including representatives of the Planning Department, Safety and Operations staff members at the contractor level, and the Safety Compliance Coordinator at the administration level.

Foothill Transit uses several methods to develop and carry out plans that will address current safety issues. On a monthly basis all safety personnel meet to discuss current safety performance, risks that have been identified by the contractors, and ways that these risks can be mitigated. Since Foothill Transit uses two operations and maintenance contractors and a facility maintenance contractor, it is important that team members across the organization are all on the same page when it comes to the safety of the system.

7. Safety Promotion

Competencies and Training

In order to implement an effective two-way feedback loop, front line staff and management are provided regular training. SMS training is provided to coach operators specifically for safety reporting competencies. They are provided training during their onboarding on what to report and how to report it. Management staff are provided training on how to analyze the safety data, turning it into safety intelligence for senior management decision-making for the allocation of safety management resources.

Foothill Transit's Safety Management System is designed to be a living document, which will continually identify, evaluate, and mitigate safety risks consistent with Foothill Transit's safety objectives and performance targets. From the Accountable Executive to the frontline operators, five questions will be asked on a continual basis to ensure continuous assessment of the SMS:

1. What are our most serious safety concerns?
2. How do we know this?
3. What are we doing about it?
4. Is what we are doing working?
5. How do we know what we are doing is working?

Operator Training

Training and education of coach operators is provided by contractor staff. Training includes Diagnostic Evaluation, Classroom Training, Closed Course Training, Full ODP Training Program, Satisfactory Evaluation, and Classroom Hours. A minimum of 40 hours of Classroom Training and 80 hours of Behind the Wheel Training must be completed. Additional information is included in the referenced contractor policies.

Keolis and Transdev requires coach operators and other key staff to attend monthly safety meetings.

Instructor Qualifications

Training instructors must meet all federal, state, and local employment requirements and be approved by the respective contractor's management team. Qualifications are outlined in the referenced contractor policies.

Safety Communication

As outlined in the Hazard Identification and Analysis section, frontline staff are encouraged to communicate safety issues and are provided with various channels to communicate to management. Safety communication is designed to be a two-way feedback loop in order to establish a positive safety culture.



December 18, 2020

To: Governing Board

Subject: **Incident Communications Policy**

Recommendation

Receive and file an update on Foothill Transit's Incident Communications Policy.

Analysis

In October 2020, the Executive Board approved revisions to the agency's Incident Communications Policy, number MKT2013-001R1. Accident communication protocols are designed to keep key staff and board members informed of accidents and incidents that happen aboard our buses. These accident and incident notifications are escalated in the communications tree to designated internal contacts depending on several key factors. The Incident Communications Policy defines these key factors, the accepted forms of accident notification, and the escalation of that notification based on severity and visibility of incident.

Following policy review, it was determined that the protocols established by the policy are thorough and maintain transparency. One adopted change was to expand Stage 2 notifications from the Executive Board to the Governing Board. Immediately following the October Executive Board meeting, a Stage 2 incident occurred that required notification of the Governing Board under the newly approved policy adjustments. Future notifications will be provided as events occur.

The attached policy provides details about incident notification protocols, defined by visibility and severity.

Sincerely,

Felicia Friesema
Director of Marketing and Communications

Doran J. Barnes
Chief Executive Officer



Foothill Transit

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Purpose and Background

Incident communications protocols are designed to keep key staff and board members informed of accidents and incidents that happen aboard our buses. These accident and incident notifications are escalated in the communications tree to designated internal contacts depending on several key factors. The Incident Communications Policy defines these key factors, the accepted forms of accident notification, and the escalation of that notification based on severity and visibility of incident.

Incident Communications Policy

Internal incident reporting at the staff level is a multi-departmental responsibility with each department providing information and expertise to best communicate the details of incidents to appropriate staff and board members.

Two departments hold primary responsibilities in incident reporting at Foothill Transit:

- Customer Service and Operations
- Marketing and Communications

Customer Service and Operations (CSO) is the primary point of first contact regarding all accidents and incidents. Operations contractors at both the Arcadia Irwindale and Pomona Yards are required to report accidents and incidents to CSO staff in a timely and thorough manner.

CSO maintains the flow of information between internal staff and the contractors at the yards. Incident reporting information is broken up into two categories in the Incident Checklist: Immediate vital information and complete incident information.

Immediate vital information is reported within the first 15 minutes from occurrence and includes the following pieces of information:

- Time of accident or incident
- Bus number and Route number
- Location and direction of bus
- Brief preliminary description of accident/incident



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- Injuries and media presence
- Medical transport and hospital location, if applicable

In the 45 minutes following the initial report, more complete and accurate incident information is required:

- Bus operator's name
- Identification of responding authorities
- Number of bus passengers
- Vehicles (and number of occupants) involved
- Contractor staff on scene

This information is given more time for collection and reporting due to field communications limitations. This protocol is supplied to the contractor by CSO in the form of an Incident Checklist. The information submitted is then reviewed and categorized by severity.

Communications Criteria

It is Marketing and Communications' responsibility to collect incident specifics from CSO and summarize them into a concise and accurate report for distribution to primary Foothill Transit staff and/or the Executive Board.

Depending on the severity and visibility of the incident, the details recorded in the Incident Checklist are communicated to the Director of Marketing and Communications as the primary agency spokesperson. Incident info is distributed internally to a subset of the agency's Senior Staff. Internal agency distribution includes:

- Executive Director (Doran Barnes)
- Deputy Executive Director (Kevin Parks McDonald)
- Director of Marketing and Communications (Felicia Friesema)
- Director of Customer Service and Operations (LaShawn King Gillespie)
- Safety Compliance Coordinator (Roberto Estrella)
- Operations Contract Manager (Tanya Pina)

Communication of accidents and incidents to Foothill Transit staff and board members is categorized into Stage 1 and Stage 2 alert levels. Each level has specific



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markers that identify the severity of the incident and the individual or individuals who need to receive immediate email or phone communication.

Stage 1 incidents are determined by the following criteria:

- No medical transport
- No media present
- Local visibility is limited to surface streets during non-peak times
- Minor vehicle damage
- Resolution, and potential coach transfers and clean up take less than 45 minutes

If ALL of the above criteria are met, then the incident is STAGE 1 and only requires CSO to directly contact the Director of Marketing and Communications, who then distributes the report to designated internal staff via email.

Stage 2 incidents are determined by the following criteria:

- Medical transport requested/required and provided
- Media on scene or above scene in aircraft
- Highly visible on major thoroughfares (i.e. 10 FWY) during peak times in either direction
- Major vehicle damage and/or visible fire or smoke
- Significant criminal activity on board or near bus stops
- Resolution and potential coach transfers and clean up taking a substantial period of time in a high visibility zone

If ANY of the above criteria are met, then the incident is STAGE 2 and requires immediate communication with key internal staff and notification to the Governing Board.

In the event of a fatality, immediate communication with both staff and board is required. Email notification of board members is acceptable in the event of a fatality or major Stage 2 accident.

It should be noted that since coach operators are employees of Foothill Transit's operations and maintenance contractors and not directly employed by Foothill Transit, incident investigation details that could be considered personnel matters are subject to employer/employee privacy constraints. Additionally, incident investigation is the responsibility of the operations contractor and the specific details



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of these investigations are made available to Foothill Transit's management to the extent possible as stipulated in our operating agreements. Some details of incident investigation done in coordination with responding authorities may remain confidential until a complete report can be provided to the operations and maintenance contractors. Only those incident details that are not subject to an employer/employee confidentiality arrangement may be released to Foothill Transit's management team.

When media are on the ground at an incident, the Director of Marketing and Communications is to be immediately contacted and informed if it is a photographer, helicopter above the scene, and/or reporter(s) on the ground.