



**Board of Directors  
Regular Meeting Agenda**

Wednesday, December 10, 2025

1:30 p.m.

**MTA Board of Directors**

Tess Albin-Smith, Chair  
Jim Tarbell, Vice Chair  
George West  
Dan Doyle  
Susan Sher  
Maureen Mulheren  
Matthew Alaniz

Meeting Locations (In-Person Attendance Only)

***Ukiah***

*Ukiah Valley Conference Center  
200 South School Street*

***Fort Bragg***

*Diana Stuart Fort Bragg Division  
190 East Spruce  
Conference Room*

***Point Arena City Hall***

*451 School St.  
Point Arena, Ca 95468*

**Public Participation**

*Members of the public may attend the meeting in person at any of the posted meeting locations listed above. Public comments will be accepted in person during the Public Comment period and during each agenda item. Comments are limited to three (3) minutes per person so that everyone has an opportunity to speak. Members of the public may also submit written comments prior to the meeting by emailing [sara@mendocinotransit.org](mailto:sara@mendocinotransit.org). Written comments received before the close of public comment will become part of the official meeting record. For agenda materials, please visit the MTA website at: <https://mendocinotransit.org/board-meetings>*

## **AGENDA ITEMS**

### **A. CALL TO ORDER**

### **B. PUBLIC COMMENT**

*MTA Board of Directors welcomes participation in its meetings. Comments shall be limited to three (3) minutes per person so that everyone may be given an opportunity to be heard. To expedite matters and avoid repetition, whenever any group of persons wishes to address the MTA Board of Directors on the same subject matter, the Chair may request that a spokesperson be chosen by the group. This item is limited to matters under the jurisdiction of the Mendocino Transit Authority which are not on the posted agenda. Public criticism of the MTA Board will not be prohibited. No action shall be taken.*

### **C. CONSENT CALENDAR**

1. Approval of Minutes of October 29, 2025, Regular Board Meeting  
Action: Approve October 29, 2025, Meeting Minutes
2. Acceptance of Preliminary Unaudited Financial Statements July-September 2025  
Action: Approve Preliminary Unaudited Financial Statements
3. Acceptance of Service Performance Reports July-October 2025  
Action: Approve Service Performance Report
4. Acceptance of GASB 68 Report  
Action: Approve GASB 68 Report

### **D. ACTION & DISCUSSION**

1. Unmet Needs  
Action: Solicit Public Input
2. Discussion and Possible Approval of Resolution 2025-12 Approving MTA's updated EEO Policy  
Action: Accept Updated EEO Policy
3. Discussion of Systemwide Fare Realignment and Simplification  
Action: Provide Direction to Initiate a systemwide fare review

## **E. DIRECTOR AND MANAGEMENT REPORTS**

1. Matters from Management
2. Matters from MCOG
3. Matters from Directors

## **F. ADJOURN**

Anticipated adjournment is 3:30 p.m.

### Americans with Disabilities Act (ADA) Compliance

*Mendocino Transit Authority complies with the AMERICANS WITH DISABILITIES ACT (ADA). Upon request, MTA will attempt to reasonably accommodate individuals with disabilities by making meeting material available in appropriate alternate formats under Government Code Section 54953.2 and Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). Anyone requiring reasonable accommodation to participate in the meeting should contact Sara Marquez at Mendocino Transit Authority by calling (707) 234-6456 or by email at [sara@mendocinotransit.org](mailto:sara@mendocinotransit.org) at least 72 hours before the meeting.*



**Board of Directors  
Regular Meeting Minutes**

Wednesday, October 29, 2025,

1:30 p.m.

**MTA Directors in Attendance**

Tess Albin-Smith- Chair  
Jim Tarbell, Vice Chair  
Susan Sher  
Dan Doyle  
George West  
Maureen Mulheren  
Matthew Alaniz

**MTA Directors Absent**

**Staff in Attendance**

Jacob King, Executive Director  
Luis Martinez, Operations Manager  
Mark Harvey, CFO  
Dawn White, Mobility Manager  
Bret Byrd, Maintenance Manager  
Sara Marquez, Assistant Clerk of the Board

**Staff Absent**

*Governor Newsom's Executive Order N-29-20 was revised on June 11, 2021, and Executive Order N-08-21 was revised on June 11, 2021. Under AB 361, members of the MTA Board of Directors will participate in this meeting via teleconference or videoconference.*

**AGENDA ITEMS**

**A. CALL TO ORDER–** Albin-Smith- Chair, called the meeting to order at 1:33 pm

**B. PUBLIC COMMENT-**

A community member, Mary Miles, reported that an MTA vehicle hit their parked car near her home, causing damage. Miles does not feel that she has been adequately responded to in

the matter and needs to have a follow up to ensure that MTA meets its obligations in the matter.

*Chair Albin-Smith told Miles that she will personally follow up with her after the board meeting to discuss the issue in more detail and work toward an amicable resolution. She stated she would contact them offline.*

### C. CONSENT CALENDAR

1. Approval of Minutes of August 27, 2025, Regular Board Meeting

Action: Approve August 27, 2025, Meeting Minutes

2. Acceptance of Preliminary Unaudited Financial Statements July-August 2025

Action: Approve Preliminary Unaudited Financial Statements

**Upon Motion** by Director **Mulheren** seconded by Director **West**, the Board accepted the Consent Calendar C1 and C2 by roll call vote: **AYES:** Doyle, Sher, West, Tarbell, Mulheren, Alaniz and Chair Albin-Smith

NOES: 0, ABSTAIN: 0, ABSENT:0

*C.3 was pulled out for further discussion*

3. Acceptance of Service Performance Reports FY 24/25 and June 2025 – September 2025

Action: Approve Service Performance Report

Director Tarbell noted that only the labels needed correction, and Director Mulheren requested a copy of the updated version for the record.

**Upon Motion** by Director **Alaniz** seconded by Director **Mulheren**, the Board accepted the Consent Calendar C3 with the amended changes. by roll call vote: **AYES:** Doyle, Sher, West, Tarbell, Mulheren, Alaniz and Chair Albin-Smith

NOES: 0, ABSTAIN: 0, ABSENT:0

### D. ACTION & DISCUSSION

1. Unmet Needs

Action: Solicit Public Input- NONE

2. Discussion and Possible Approval of Resolution 2025-12 Approving MTA's updated EEO Policy

Action: Accept Updated EEO Policy

*“The Executive Director explained that the document was updated to reflect new laws and to meet Caltrans’s requirement for a review every three years. The updated version was reviewed and revised by legal counsel, and everything is now compliant.”*

The Board directed staff to have Susan submit her proposed changes in writing so the attorney can review them, incorporate what is appropriate, and explain anything that cannot be included. Susan will send her suggestions to Jacob and Sara, and the item will be brought back at the next meeting. Chair Albin-Smith requested that legal attend the next meeting to discuss possible changes.

3. Discussion and Possible Approval of Resolution 2025-13 Approving the updated Capital Budget

Action: Approve Updated Capital Budget

**Upon Motion** by Director **Mulheren** seconded by Director **Alaniz**, the Board Approve undated Capital Budget by roll call vote: **AYES:** Doyle, Sher, West, Tarbell, Mulheren, Alaniz, and Chair Albin-Smith

**NOES: 0, ABSTAIN: 0, ABSENT:0**

4. Discussion of Systemwide Fare Realignment and Simplification

Action: Provide Direction to initiate a systemwide fare review

The Executive Director explained that this is the beginning of a discussion on simplifying fares and is asking the Board for directions to further explore fare recommendations. MTA has a pilot fare that it has been testing successfully through its tap-to-pay program.

A simplified fare structure would reduce MTA’s current 28 different fares down to one regular fare and one reduced fare systemwide, helping eliminate confusion and making fares more equitable. Other agencies have seen increased ridership after implementing similar systems.

Staff requested Board approval to spend time evaluating these options and return with a more detailed, refined report.

The Board members confirmed that staff have the direction they need and stated they look forward to receiving the fare comparison information.

## E. DIRECTOR AND MANAGEMENT REPORTS

### 1. Matters from Management

**Dawn White**, Mobility Manager, reported that MTA participated in the 2025 Pumpkin Fest, which was highly successful with strong community engagement and record demand for schedules. Next, MTA will take part in the Hometown Holidays event using the trolley, working in partnership with the Greater Ukiah Business and Tourism Alliance. She also encouraged referrals for potential sponsors and noted that confirmation for the staff and board dinner is expected soon, with email invitations to follow.

**Luis Martinez, Operations Manager**, reported that MTA is getting closer to being fully staffed across all locations—South Coast, Fort Bragg, and Ukiah. The final South Coast driver is in training, two more drivers are still needed in Fort Bragg, and one driver is currently in training for Ukiah. Progress is steady.

**Mark Harvey**, CFO, reported that instructions and updates for signature cards will be emailed individually to each authorized signer. Harvey also noted that the county officially closed MUNIS on October 14th, allowing MTA to move forward with the 2024–2025 audits.

#### **Jacob King, Executive Director,**

The Executive Director King reported that he and Bret Byrd, Maintenance Manager, are actively working on multiple projects:

- Charging Infrastructure & Solar Canopy:

A design team has been working for three weeks on plans for charging infrastructure and a solar canopy.

- Shop SOPs & Electrical Safety Program:

Consultants are developing new Shop Standard Operating Procedures and an Electrical Safety Program to ensure compliance with Cal-OSHA and federal high-voltage safety regulations.

- Endura Buses:

The Indera buses have been built and are in California; however, the manufacturer failed to apply for HVIP funding (\$78,000 per bus). MTA will not accept delivery until the funding is secured. Operations are temporarily paused pending resolution.

- Transit Center Project:

MTA is in discussions with the City of Ukiah, MCOG, and PEP Housing regarding a potential mixed-use Transit Center near the new Ukiah courthouse. The concept includes a transit hub combined with senior housing and possibly other uses. Discussions are ongoing as partners explore feasibility, funding and design.

## 2. **Matters From MCOG**

**James Sookne** reported that MCOG is finalizing the update to the 2026 Regional Transportation Plan. While the goal is to present it to the Board in December, it may be delayed until February. He noted that the transit element has been updated in coordination with MTA staff and primarily incorporates the Capital Improvement Program (CIP).

## 3. **Matters from Directors**

**Director Albin-Smith** reported successful recent community events and noted preparations for Trunk-or-Treat. Upcoming events include the Day of the Dead celebration on November 2, Symphony of the Redwoods concerts on November 15–16, and Winterfest on December 6.

**Director Alaniz** reported strong attendance at Willits' Harvest Moon Carnival and shared that a new entertainment zone policy may expand local events. Willits is also preparing for its 100th anniversary Rodeo in 2026. He highlighted MTA's role in supporting community connectivity and tourism.

**Director Sher** reported ongoing community concern regarding School Street trees due to sidewalk and infrastructure impacts. No decisions have been made, and further assessments are underway. A community meeting is planned to discuss options, including possible sidewalk modifications or gradual tree replacement.

**Saskia Burnett, Transit Planner for Caltrans District 1**, reported that Caltrans has been working with all four regional transit agencies on the District Transit Plan, gathering input on transit stop conditions and overall transit needs along the state highway system. All agency comments, including MTA's, are being entered into a survey tool due Friday. A meeting with the statewide team is planned for mid-November to review data and discuss next steps. Phase one focuses on technical input from transit agencies, while phase two—beginning in early 2026—will include public input from board members, community members, cities, counties, and other stakeholders.

## F. **ADJOURN**

The meeting adjourned at 2:48 p.m.

### **Americans with Disabilities Act (ADA) Compliance**

*Mendocino Transit Authority complies with the AMERICANS WITH DISABILITIES ACT (ADA). Upon request, MTA will attempt to reasonably accommodate individuals with disabilities by making meeting material available in appropriate alternate formats under Government Code Section 54953.2 and Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). Anyone requiring reasonable accommodation to participate in the meeting should contact Sara Marquez at Mendocino Transit Authority by calling (707) 234-6456 or by email at [sara@mendocinotransit.org](mailto:sara@mendocinotransit.org) at least 72 hours before the meeting.*



Meeting Date: December 10th, 2025

Agenda Item: # C.2

## AGENDA SUMMARY REPORT

**SUBJECT:**

Preliminary Unaudited Financial Statements July 2025 – September 2025

**SUMMARY:**

Preliminary Unaudited Financial Reports for the Months of July 2025 through September 2025 from MTA's QuickBooks accounting system including the Statement of Net Position and Statement of Revenues and Expenses.

Revenue of \$1,744,716 is 21.8% of budgeted revenue of \$7,990,771 for the year, with 25.0% of year elapsed.

Expenses of \$1,843,170 are 22.8% of budgeted expenses of \$8,099,188 for the year, with 25.0% of year elapsed.

**STAFF RECOMMENDATION:**

Accept Unaudited Financial Statements for July 2025 through September 2025.

**ATTACHMENTS:**

Statement of Net Position as of September 30th, 2025.  
Statement of Revenues and Expenses July 2025 – September 2025.

**Mendocino Transit Authority**  
**Statement of Net Position**  
As of September 30th, 2025

**ASSETS**

**Current Assets**

**Checking/Savings**

**101.900 · Cash**

**101.100 · Cash-Operating**

Operating Cash 896,353

Senior Operating 199,008

Payroll & Benefits Operating 292,374

**Total 101.100 · Cash-Operating Total 1,387,734**

**101.200 · Cash-Capital**

101.202 · Capital Wkg-MUNIS #4100 1,097,641

101.123 - Capital LCTOP-MUNIS #2110 902,181

101.203 · Cap CALOES -MUNIS #4140 2,541

101.204 · Capital PTMISEA-MUNIS #4230 3,225

**Total 101.200 · Cash-Capital 2,005,589**

**Total 101.900 · Cash 3,393,323**

**Total 102.000 · Accounts Receivable 1,161,178**

**Other Current Assets**

**Total 102.300 · Grants Receivable 1,421,249**

**Total 102.100 · Accounts Receivable Other 45,000**

**Total 103.990 - Inventory 68,254**

**104.199 · Prepaid Expenses Total**

104.101 · Prepaid Expenses 29,031

104.102 · Prepaid Insurance 97,827

104.103 · Prepaid Workers Comp 113,682

**Total 104.199 · Prepaid Expenses Total 240,540**

**Total 104.200 · Undeposited Funds 15,750**

**Total Other Current Assets 1,790,793**

**Total Current Assets 6,345,294**

**Fixed Assets**

**Total 111.900 · Fixed Assets 22,401,900**

**Total 111.910 · Accumulated Depreciation -16,179,675**

**Total 115.900 · Construction in Progress 1,072,752**

**Total 121.900 · Intangible Total 15,000**

**Total 121.910 · Accum Amortization Total -15,000**

**Total 122.900 · Right to Use - Willits Lease Net 34,526**

**Total Fixed Assets 7,329,503**

**Other Assets**

**Total 131.900 · Deferred Outflows of Resource 1,742,997**

**Total Other Assets 1,742,997**

**TOTAL ASSETS 15,417,794**

**Mendocino Transit Authority**  
**Statement of Net Position**  
As of September 30th, 2025

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

**Total Accounts Payable** 175,844

**Credit Cards**

201.300 · Umpqua Credit Card 11,408

**Total Credit Cards** 11,408

**Other Current Liabilities**

202.100 - Deferred Grant Revenue 1,460,967

204.100 · MCOG FY22/23 LTF Repayment 659,508

205.700 · Uncashed Checks 9,422

**205.900 · Accruals Total**

205.200 · Accrued Payroll 233,831

205.500 · Accrued Vacation 221,936

205.600 · Accrued Sick Leave 122,824

**Total 205.900 · Accruals Total** 578,590

**206.900 · Lease Liabilities**

206.000 · Lease Liability - Willits Lease 35,959.00

**Total 206.900 · Lease Liabilities** 35,959.00

**Total Other Current Liabilities** 2,084,939

**Total Current Liabilities** 2,931,698

**Long Term Liabilities**

**231.900 · Prov-Restricted Funds**

231.100 · Provision for Liability 18,415

231.200 · Provision for Vehicle Damage 3,001

231.300 · Provision for Unemployment 184,534

231.400 · Provision for Cafeteria Plan 18,840

**Total 231.900 · Prov-Restricted Funds** 224,791

235.300 · Deferred Inflows of Resource 129,567

235.910 · Pension Liabilities 3,208,752

**Total Long Term Liabilities** 3,563,109

**Total Liabilities** 6,494,807

**Equity**

**Total 399.900 · Equity** 9,337,537

**Net Income** -414,550

**Total Equity** 8,922,987


**TOTAL LIABILITIES & EQUITY** 15,417,794

**Mendocino Transit Authority**  
**Statement of Revenues, Expenses**  
**July 2025 - September 2025**

	TOTAL		
	Actual	Budget	% of Budget
Ordinary Income/Expense			
Income			
411.000 · OPERATING REVENUE.			
401.110 Fixed Route Farebox Revenue	66,795	300,000	22.3%
401.111 Dial-A-Ride Farebox Revenue	23,202	90,000	25.8%
402.100 Redwood Coast Regional Center	16,140	140,000	11.5%
409.200 · Sonoma County Contract	45,000	180,000	25.0%
Total 411.000 · OPERATING REVENUE.	151,137	710,000	21.3%
420.000 · REVENUES FROM OTHER SOURCES			
406.100 · Advertising Contract	36,197	125,000	29.0%
407.100 · Maintenance Revenue	8,569	30,500	28.1%
407.400 · Investment(Interest) Income	10	7,500	0.1%
407.500 · Other - Fuel Rebates, Etc.	0	14,000	0.0%
409.100 · Local Transportation Fund (LTF)	726,186	2,904,749	25.0%
409.109 · LTF - Senior Centers - income	223,853	600,000	37.3%
510.100 · LTF - Senior Centers - expense	-223,853	-600,000	37.3%
407.115 - Senior Center Administration	3,342	26,500	12.6%
409.110 · State Transit Assistance (STA)	275,020	1,100,081	25.0%
422.000 · 5310 Operating Assistance	60,000	150,000	40.0%
413.101 · 5311 Operating Assistance	184,530	753,956	24.5%
409.120 · State - SB125 Operating	181,251	850,000	21.3%
409.101 · MCOG FY22/23 LTF Repayment	0	725,000	0.0%
409.103 · Local Operating 4090	0	293,485	0.0%
413.110 · 5311(f) Operating Assistance	118,473	300,000	39.5%
Total 420.000 · REVENUES FROM OTHER SOURCES	1,593,579	7,280,771	21.9%
Total Income	1,744,716	7,990,771	21.8%
Expense			
Total 501.100 · WAGES	1,051,612	3,987,026	26.4%
Total 510.000 · BENEFITS	394,881	2,104,912	18.8%
520.000 · SERVICE/USER FEES			
521.000 · Vehicle Technical Services	221	2,500	8.8%
521.250 · Towing	1,350	500	270.0%
521.500 · Property Maintenance Services	0	3,000	0.0%
521.700 · Contract IT Services	4,474	38,000	11.8%
503.202 · Legal Counsel	864	27,500	3.1%
508.100 · Purch. Trans (Willits DAR)	0	500	0.0%
523.000 · Marketing	1,191	7,500	15.9%
509.300 · Advertising, Legal Notices	3,481	47,000	7.4%
524.000 · Software Maintenance Fees	14,920	55,000	27.1%
524.200 · Drug & Alcohol Services	865	7,500	11.5%
525.000 · Facility Security System	398	3,000	13.3%
525.500 · Accident / Incident Payables	7,810	10,000	78.1%
503.200 · Professional & Technical Svcs	21,382	289,000	7.4%
Total 520.000 · SERVICE/USER FEES	56,956	491,000	11.6%
530.000 · MATERIALS & SUPPLIES			
504.110 · Fuel	122,764	600,000	20.5%
504.120 · Tires	7,686	45,000	17.1%
504.115 · Lubrication	3,956	19,500	20.3%
532.500 · Tools	26	3,800	0.7%
504.100 · Vehicle Maint & Repair Parts	28,689	105,000	27.3%
504.200 · Expensed Parts	-85	1,250	-6.8%
504.610 · Shop Supplies	670	10,000	6.7%
504.620 · Facilities,Maint & Repair Parts	11,425	45,000	25.4%

**Mendocino Transit Authority**  
**Statement of Revenues, Expenses**  
July 2025 - September 2025

	TOTAL		
	Actual	Budget	% of Budget
504.400 · Office Supplies	4,407	20,000	22.0%
509.200 · Printing (Schedules,brochures)	1,309	5,000	26.2%
537.000 · Safety & Emergency Supplies	724	10,000	7.2%
537.500 · Other Materials & Supplies	2,544	25,000	10.2%
Total 530.000 · MATERIALS & SUPPLIES	184,114	889,550	20.7%
540.000 · UTILITIES.			
541.000 · MTA Base -Water, Sewer & Waste	3,115	14,500	21.5%
541.250 · FB-Water,Sewer, Waste & Propane	904	6,800	13.3%
541.500 · Willits-Water, Sewer & Waste	1,471	3,500	42.0%
542.000 · PG&E-Ukiah, Fort Bragg,Willits	4,236	35,000	12.1%
543.000 · TPX- Ukiah Phones / Internet	13,516	50,000	27.0%
543.250 · Comcast-Fort Bragg Phones/Inter	694	1,800	38.5%
544.000 · Verizon-Admin / OPS Cellular	10,253	35,500	28.9%
Total 540.000 · UTILITIES.	34,189	147,100	23.2%
Total 560.000 · VEHICLE,CASUALTY & LIABILITY	104,519	400,000	26.1%
570.000 · TAXES			
571.000 · Taxes-State Bd of Equalization	0	600	0.0%
572.000 · Vehicle Licensing & Reg Fees	787	1,000	78.7%
Total 570.000 · TAXES	787	1,600	49.2%
580.000 · MISCELLANEOUS			
504.510 · Dues & Subscriptions	242	20,000	1.2%
502.700 · Travel	4,827	24,000	20.1%
582.250 · Board Expenses	200	2,500	8.0%
583.000 · Safety Program	383	3,000	12.8%
509.800 · Training	2,660	7,000	38.0%
584.500 · CDL & DOT Physical Expenses	1,913	7,000	27.3%
509.100 - Other Miscellaneous	3,061	2,500	122.5%
Total 580.000 · MISCELLANEOUS	13,287	66,000	20.1%
590.000 · LEASES & RENTALS			
591.000 · Leases & Rentals	2,825	12,000	23.5%
Total 590.000 · LEASES & RENTALS	2,825	12,000	23.5%
Total Expense	1,843,170	8,099,188	22.8%
Net Ordinary Income Before Depreciation	-98,455	-108,417	
Depreciation Expense	-316,095	1,120,000	
Net Ordinary Income After Depreciation	-414,550	-1,228,417	

<div>FY 25-26 RIDERSHIP PERFORMANCE BY ROUTE</div>																
	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	2025-26 YTD	2024-2025 YTD	# Change	% Change
01 - Willits Local	774	638	648	631	0	0	0	0	0	0	0	0	2691	1525	1,166	76%
03 - Ukiah - DAR	1410	1557	1442	1620	0	0	0	0	0	0	0	0	6029	4085	1,944	48%
04 - Fort Bragg - DAR	712	586	547	654	0	0	0	0	0	0	0	0	2499	2724	(225)	-8%
05 - BraggAbout	598	647	690	794	0	0	0	0	0	0	0	0	2729	2154	575	27%
07 - Jitney	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	#DIV/0!
08 - Ukiah Evening	1309	1431	1614	1661	0	0	0	0	0	0	0	0	6015	1060	4,955	467%
09 - Ukiah Local	5079	5448	6082	6221	0	0	0	0	0	0	0	0	22830	19096	3,734	20%
20 - Willits - Ukiah	842	1025	1273	1297	0	0	0	0	0	0	0	0	4437	3331	1,106	33%
60 - Coaster	734	715	756	811	0	0	0	0	0	0	0	0	3016	1912	1,104	58%
64 - Ukiah to Fort Bragg-Not Operating	0												0	0	0	#DIV/0!
65 - CC Rider	1610	1614	1539	1731	0	0	0	0	0	0	0	0	6494	4332	2,162	50%
65A - New Route 65-Not Operating	0												0	0	0	#DIV/0!
74 - Saturday Gualala-Ukiah	26	49	36	26	0	0	0	0	0	0	0	0	137	121	16	13%
75 - M-F Gualala to Ukiah	361	399	479	541	0	0	0	0	0	0	0	0	1780	1558	222	14%
95 - Pt. Arena to Santa Rosa	417	382	390	332	0	0	0	0	0	0	0	0	1521	1320	201	15%
97 - Redwood Coast Regional	233	202	212	229	0	0	0	0	0	0	0	0	876	691	185	27%
Special Events	1395	562	71	0	0	0	0	0	0	0	0	0	2028	1401	627	45%
Monthly Totals	15500	15255	15779	16548	0	0	0	0	0	0	0	0	63082	45310	17,772	39%



### FY 25-26 AVERAGE DAILY RIDERS BY ROUTE-Weekday

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
01 - Willits Local	33.65	29.00	30.86	27.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05 - BraggAbout	26.00	29.41	32.86	34.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
07 - Jitney	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
09 - Ukiah Local	204.22	224.00	268.81	252.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20 - Willits - Ukiah	36.61	46.59	60.62	56.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
60 - Coaster	31.91	32.50	36.00	35.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
65 - Fort Bragg to Santa Rosa	57.78	57.86	58.00	64.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
75 - M-F Gualala to Ukiah	15.70	18.14	22.81	23.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
95 - Pt. Arena to Santa Rosa	14.65	12.86	13.86	11.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monthly Totals	420.52	450.36	523.81	504.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



### FY 25-26 AVERAGE DAILY RIDERS BY ROUTE-Saturdays

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
09 - Ukiah Local	95.50	104.00	109.25	105.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
65 - Fort Bragg to Santa Rosa	54.50	49.00	62.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
74 - Saturday Gualala-Ukiah	6.50	9.80	9.00	6.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
95 - Pt. Arena to Santa Rosa	8.50	10.60	12.00	7.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monthly Totals	165.00	173.40	192.25	169.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



### FY 25-26 AVERAGE DAILY RIDERS BY ROUTE-Sundays

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
95 - Pt. Arena to Santa Rosa	11.50	11.50	10.20	11.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monthly Totals	11.50	11.50	10.20	11.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Meeting Date: December 10<sup>th</sup>, 2025

Agenda Item: C.4

## AGENDA SUMMARY REPORT

**SUBJECT:**

GASB68 Draft Report for FY 2024-2025

**SUMMARY:**

The Draft GASB68 Report for Fiscal Year Ended June 30<sup>th</sup>, 2025 is attached.

The GASB 68 was performed for the measurement period July 1, 2023 to June 30, 2024, meaning that liabilities and assets are reflected as of June 30, 2024. During 2023/24, CalPERS realized an approximate 9.5% return on investments, exceeding the discount rate of 6.9%. The gain on assets was partially offset by non-investment losses which CalPERS has attributed to inflationary impact (COLAs, salary increases). The aggregate impact resulted in a decrease in the Authority's proportionate share of the net pension liability from \$3.54m to \$3.51m. There were no changes in assumptions or methods made by CalPERS.

Please let us know if you have any questions on this or anything else in the report, or if you would like to schedule a time to walk through the report over the phone.

Thank you,

Drew D. Ballard, FSA, EA, MAAA  
Senior Consulting Actuary

FOSTER & FOSTER  
411 Borel Avenue  
Suite 620  
San Mateo, CA 94402  
650.377.1663  
www.foster-foster.com

**STAFF RECOMMENDATION:**

Approve MTA's GASB68 Draft Report for FY 2024-2025

**ATTACHMENTS:**

GASB68 Draft Report for FY 2024-2025



**Mendocino Transit Authority**  
**CalPERS Miscellaneous Pension Plans**



June 30, 2025  
Consolidated GASBS 68 Reporting Information  
CalPERS Risk Pools

Drew Ballard  
**Foster & Foster, Inc.**  
2181 Greenwich St.  
San Francisco, CA 94123  
drew.ballard@foster-foster.com

December 4, 2025

**Contents**

<u>Topic</u>	<u>Page</u>
Applicable Dates and Periods	1
Basis of Report	2
Net Pension Liability	3
Note Disclosures	5
Required Supplementary Information	13
Data as of 6/30/24 Measurement Date	17
Supporting Calculations	19
Journal Entries	33
Reconciliation of Deferred Outflows/(Inflows)	37

## Applicable Dates and Periods

	<b>June 30, 2025 Employer Fiscal Year</b>
■ Measurement date	June 30, 2024
■ Measurement period	July 1, 2023 to June 30, 2024
■ Actuarial valuation date	June 30, 2023



## Basis of Report

This report presents employer-specific amounts for reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASBS 68) for CalPERS public agency cost-sharing plans. Our calculations are based on information provided in actuarial valuation reports prepared by CalPERS and on the June 30, 2024 "Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts" prepared by CalPERS and audited by BDO. We have followed the methodology described in that report and in other CalPERS publications including the GASBS 68 Guide for Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plans. It was not part of the scope of this project, nor was information available, to review the census data, actuarial calculations or the actuarial assumptions used to prepare those reports. CalPERS reports used for our calculations are available at:

<https://www.calpers.ca.gov/page/employers/actuarial-services/gasb>

Additional information to be presented in each agency's Notes and RSI can be found on CalPERS website in the CalPERS Risk Pool reports as of the June 30, 2024 Measurement Date and CalPERS Annual Comprehensive Financial Report:

<https://www.calpers.ca.gov/documents/gasb-68-accounting-valuation-miscellaneous-risk-pool-2024>

<https://www.calpers.ca.gov/documents/gasb-68-accounting-valuation-safety-risk-pool-2024>

<https://www.calpers.ca.gov/documents/acfr-2024/download?inline>



# Net Pension Liability

## Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending	
■ Fiscal Year End	6/30/2025	6/30/2024
■ Measurement Date	6/30/2024	6/30/2023
■ Total	\$ 3,514,089	\$ 3,537,279

See page 20 for supporting detail.



# Net Pension Liability

## Proportionate Share of Net Pension Liability/(Asset)

	Percentage Share of Plan		Change: Increase/ (Decrease)
■ Fiscal Year End	6/30/2025	6/30/2024	
■ Measurement Date	6/30/2024	6/30/2023	
■ Percentage of Plan (PERF C) NPL	0.02898%	0.02835%	0.00063%

See page 20 for supporting detail.



**Plan Description \***

The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan or PERF C) is administered by the California Public Employees' Retirement System (the System or CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C members are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2023 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at

<https://www.calpers.ca.gov/page/forms-publications>

\*This description is from the CalPERS report:

<https://www.calpers.ca.gov/documents/gasb-68-public-agency-schedules-2024/>



**Net Pension Liability Assumptions \***

The collective total pension liability for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The collective total pension liability was based on the following assumptions:

■ Discount Rate	6.90%
■ Inflation	2.30%
■ Salary increases	Varies by Entry Age and Service
■ Mortality	Derived using CalPERS' Membership Data for all Funds. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website
■ Post-retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

\*These assumptions are from the CalPERS report:

<https://www.calpers.ca.gov/documents/gasb-68-public-agency-schedules-2024/>



## Note Disclosures

### Long-Term Expected Rate of Return \*

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10<sup>1,2</sup></u>
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

\* This information is from the CalPERS report: <https://www.calpers.ca.gov/documents/gasb-68-public-agency-schedules-2024/>

<sup>1</sup> An expected inflation of 2.30% used for this period.

<sup>2</sup> Figures are based on the 2021-22 Asset Liability Management study.



## Note Disclosures

### Discount Rate \*

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

\* This description is from the CalPERS report:

<https://www.calpers.ca.gov/documents/gasb-68-public-agency-schedules-2024/>



## Note Disclosures

### **Sensitivity of Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate**

	Discount Rate		
	5.90% (1% Decrease )	6.90% (Current Rate)	7.90% (1% Increase )
■ Measurement Date	6/30/2024		
■ Fiscal Year End	6/30/2025		
■ Net Pension Liability	\$ 5,613,644	\$ 3,514,089	\$ 1,785,846

See page 21 for supporting detail.



## Note Disclosures

### **Pension Expense (Income) for Fiscal Year**

	2024/25
■ Total pension expense (income) for fiscal year	\$ 891,892

See page 31 for supporting detail.



**Deferred Outflows/Inflows Balances at June 30, 2025**

	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience *	\$ 303,825	(11,855)
■ Changes of assumptions *	90,319	-
■ Net differences between projected and actual earnings on plan investments *	202,302	-
■ Change in employer's proportion **	101,089	-
■ Differences between the employer's contributions and the employer's proportionate share of contributions***	44,477	(31,809)
■ Pension contributions subsequent to measurement date	568,296	-
■ Total	1,310,308	(43,664)

\* Supporting detail on page 23.

\*\* Supporting detail on page 26.

\*\*\* Supporting detail on page 29.



**Recognition of Deferred Outflows and Inflows of Resources  
in Future Pension Expense**

	Deferred Outflows/(Inflows) of Resources
■ <b>Fiscal Year Ending June 30:</b>	
● 2026	\$ 260,878
● 2027	487,244
● 2028	19,552
● 2029	(69,326)
● 2030	-
● Thereafter	-

Supporting detail on page 30.



**Required Supplementary Information**

**Schedule of Authority's Proportionate Share  
of the Plan's (PERF C) Net Pension Liability**

	<b>Fiscal Year End</b>	
	<b>6/30/25</b>	<b>6/30/24</b>
■ Measurement Date	6/30/24	6/30/23
■ Authority's proportion of the net pension liability	0.02898%	0.02835%
■ Authority's proportionate share of the net pension liability	\$ 3,514,089	\$ 3,537,279
■ Authority's covered payroll *	3,370,826	3,031,830
■ Authority's proportionate share of the net pension liability as a percentage of covered payroll	104.25%	116.67%
■ Plan's fiduciary net position as a percentage of the plan's total pension liability **	78.08%	76.21%

\* For the year ending on the measurement date.

\*\* Supporting detail on page 17.



**Required Supplementary Information**

**Schedule of the Authority's Contributions**

<b>Contributions for the fiscal year ending:</b>	<b>6/30/25</b>	<b>6/30/24</b>
■ Actuarially determined contribution	\$ 568,296	\$ 505,126
■ Contributions in relation to the actuarially determined contribution	568,296	505,126
■ Contribution deficiency (Excess)	-	-
■ Authority's covered payroll *	3,448,892	3,370,826
■ Contributions as a percentage of covered payroll	16.48%	14.99%

\* For the fiscal year ending on the date shown.



**Actuarially Determined Contribution Assumptions \***

■ Valuation Date	June 30, 2022
■ Actuarial cost method	Entry age normal cost method
■ Amortization method	Varies by date established and source. May be level dollar or level percent of pay and may include direct rate smoothing
■ Remaining Amortization Periods	Differs by employer rate plan
■ Asset valuation method	Market value of assets
■ Inflation	2.30%
■ Salary increases	Varies by category, entry age, and service
■ Discount Rate **	6.80% (net of investment and administrative expenses)
■ Mortality	Derived using CalPERS' Membership Data for all Funds. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using 80% of the Society of Actuaries' Scale MP-2020

\* From the CalPERS reports (Appendix A):  
<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-miscellaneous-2022.pdf>  
<https://www.calpers.ca.gov/docs/forms-publications/actuarial-valuation-section2-safety-2022.pdf>

\*\* Please note, the discount rate used for Actuarially Determined Contributions is different from the one used for Total Pension Liability (page 6).



**This page intentionally blank**



**Data as of 6/30/24 Measurement Date**

	Miscellaneous Risk Pool	Safety Risk Pool	Total
<b>■ Employer Allocation Basis*</b>			
Total Pension Liability	0.06462%	N/A	N/A
Fiduciary Net Postion	0.06260%	N/A	N/A
<b>■ Data from Risk Pool Reports for Measurement Date June 30, 2024</b>			
Total Pension Liability	\$ 24,077,884,150	\$ 31,243,072,412	\$ 55,320,956,562
(1) Fiduciary Net Postion	19,241,277,838	23,952,238,251	43,193,516,089
Net Pension Liability	4,836,606,312	7,290,834,161	12,127,440,473
Funded Percentage	N/A	N/A	78.08%
<b>■ Sensitivity</b>			
(2) NPL @ 5.90% discount rate	8,085,685,401	11,558,607,872	
(1) + (2) TPL @ 5.90% discount rate	27,326,963,239	35,510,846,123	
(3) NPL @ 7.90% discount rate	2,162,135,974	3,800,395,263	
(1) + (3) TPL @ 7.90% discount rate	21,403,413,812	27,752,633,514	
<b>■ Collective Pension Expense</b>	1,093,361,824	1,553,850,734	



<b>■ Deferred Outflows (Inflows) Balances at June 30, 2024 Measurement Date (MD)</b>				
MD				
2022	Differences between expected and actual experience	(16,316,662)	(19,345,904)	N/A
2023	Differences between expected and actual experience	143,655,054	298,466,691	N/A
2024	Differences between expected and actual experience	274,513,921	296,530,188	N/A
2022	Change in Assumptions	124,310,820	179,631,167	N/A
2021	Differences between projected and actual earnings on plan investments	(458,062,508)	(574,813,781)	N/A
2022	Differences between projected and actual earnings on plan investments	1,048,475,624	1,323,871,932	N/A
2023	Differences between projected and actual earnings on plan investments	69,693,356	85,656,701	N/A
2024	Differences between projected and actual earnings on plan investments	(381,668,950)	(482,309,144)	N/A
<b>■ Other</b>				
	Aggregate Employer Contributions	734,440,850	884,633,200	N/A
	Expected Average Remaining Service Lifetime (EARS�)		N/A	3.8
	Future Recognition of Deferred Amounts			
	Measurement Date			
	2025	279,832,392	427,100,861	N/A
	2026	613,939,070	808,466,416	N/A
	2027	6,246,429	(7,302,141)	N/A
	2028	(95,417,236)	(120,577,286)	N/A

\*From the report: <https://www.calpers.ca.gov/documents/gasb-68-public-agency-schedules-2024/>



## Supporting Calculations

### Employer Contributions during Fiscal Year

	2024/25	2023/24
■ Misc Classic - 3901	\$ 370,676	\$ 326,834
■ Misc PEPRA - 27121	197,620	178,292
■ Total	568,296	505,126



## Supporting Calculations

### Proportionate Share of Net Pension Liability/(Asset)

	Fiscal Year Ending 6/30/2025		
	Measurement Date 6/30/2024		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
■ Authority % *	0.06462%	0.06260%	
■ Total Misc Risk Pool *	\$ 24,077,884,150	\$ 19,241,277,838	N/A
■ Authority's Proportionate Share	15,559,129	12,045,040	\$ 3,514,089
■ Total PERF-C NPL *	N/A	N/A	12,127,440,473
■ Authority's Proportionate Share of NPL	N/A	N/A	0.02898%

\* Supporting detail on page 17.



## Supporting Calculations

### **Sensitivity of Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate**

	Discount Rate		
	5.90% (1% Decrease )	6.90% (Current Rate)	7.90% (1% Increase )
■ Measurement Date	6/30/2024		
■ Fiscal Year End	6/30/2025		
■ Miscellaneous			
Risk Pool Total Pension Liability *	\$ 27,326,963,239	\$ 24,077,884,150	\$ 21,403,413,812
Employer's TPL Proportion	0.06462%	0.06462%	0.06462%
Proportionate share of TPL	\$ 17,658,684	\$ 15,559,129	\$ 13,830,886
Less: Proportionate share of FNP **	12,045,040	12,045,040	12,045,040
Net Pension Liability	5,613,644	3,514,089	1,785,846

\* Supporting detail on page 17.

\*\* Supporting detail on page 20.



## Supporting Calculations

### **Allocation Factor for Deferred Inflows and Outflows**

	<u>Miscellaneous</u>
(1) Total Misc Risk Pool Net Pension Liability*	\$ 4,836,606,312
(2) Authority's Proportionate Share of Net Pension Liability **	3,514,089
(3) Authority's Deferred Outflows/Inflows of Resources Allocation Basis (2) ÷ (1) ***	0.07266%

\* Supporting detail on page 17.

\*\* Supporting detail on page 20.

\*\*\* Deferred Outflows/Inflows of resources allocated based on the employer's share of the Miscellaneous Risk Pool net pension liability, per CalPERS' guidance in the 6/30/2024 Schedule of Employer Allocations for Components of Net Pension Liability and Schedule of Collective Pension Amounts.



## Supporting Calculations

### Total Risk Pool Deferred Outflows/(Inflows)

Measurement Date	Item	Misc Risk Pool*	Employer Amount (0.07266%)**	Employer Deferred Outflow	Employer Deferred (Inflow)
Differences between Actual and Expected Experience					
2022		\$ (16,316,662)	\$ (11,855)	\$ -	(11,855)
2023		143,655,054	104,374	104,374	-
2024		274,513,921	199,451	199,451	-
Total Differences between Actual and Expected Experience			291,970	303,825	(11,855)
Changes of assumptions					
2022		124,310,820	90,319	90,319	-
Net Difference between Projected and Actual Return on Investments					
2021 to 2024		278,437,522	202,302	202,302	-

\* Supporting detail on page 18. \*\* Supporting detail on page 22, unrounded allocation factor is used.



## Supporting Calculations

### Change in Proportion Calculation

	Unrecognized Differences between Expected and Actual Experience	Unrecognized Changes in Assumptions	Unrecognized Net Difference Between Projected and Actual Earnings on Investments	Total Pension Liability	Fiduciary Net Position	Total
■ Miscellaneous Risk Pool						
Net deferral at 6/30/2023 MD	\$ 215,822,170	\$ 301,897,706	\$ 809,612,518	\$ (22,693,312,153)	\$ 17,692,895,076	
Employer proportion at 6/30/2024 MD*	0.07266%	0.07266%	0.07266%	0.06462%	0.06260%	
Employer amount using 6/30/2024 basis	156,808	219,347	588,233	(14,664,418)	11,075,752	(2,624,278)
Employer balances at 6/30/2023 MD	152,672	213,561	572,717	(14,591,800)	11,054,521	(2,598,329)
Difference	(4,136)	(5,786)	(15,516)	72,618	(21,231)	25,949

\* Supporting details on pages 17 and 22, unrounded allocation factor is used.



## Supporting Calculations

### Change in Proportion

Calculation at June 30, 2025 financial statement date

	2021 Measurement Date	2022 Measurement Date	2023 Measurement Date	2024 Measurement Date	Total
Balance reported at June 30, 2024	\$ 89,015	\$ 103,422	\$ 61,265	\$ 25,949 *	
Remaining Amortization Years	0.7 years	1.7 years	2.8 years	3.8 years	
Current Year Amortization	(89,015)	(60,837)	(21,881)	(6,829)	(178,562)
Balance reported at June 30, 2025	-	42,585	39,384	19,120	101,089

\* Balance at July 1, 2024, after 6/30/24 reporting date.



## Supporting Calculations

### Recognition Schedule for Deferred Outflows/Inflows at June 30, 2025 Employer-Specific Deferral: Change in Proportions

	Initial Recognition Period				Total
	2021/22	2022/23	2023/24	2024/25	
■ Measurement Period	2020/21	2021/22	2022/23	2023/24	
■ Initial amount	\$ 470,504	\$ 225,096	\$ 83,146	\$ 25,949	
■ Initial recognition period	3.7 years	3.7 years	3.8 years	3.8 years	
■ Amount recognized in FY pension expense					
• 2021/22 (3rd prior year)	127,163	N/A	N/A	N/A	127,163
• 2022/23 (2nd prior year)	127,163	60,837	N/A	N/A	188,000
• 2023/24 (Prior year)	127,163	60,837	21,881	N/A	209,881
• 2024/25 (Current year)	89,015	60,837	21,881	6,829	178,562
• 2025/26	-	42,585	21,881	6,829	71,295
• 2026/27	-	-	17,503	6,829	24,332
• 2027/28	-	-	-	5,462	5,462
• Total	470,504	225,096	83,146	25,949	804,695
■ Deferred Outflows at FYE 6/30/2025	-	42,585	39,384	19,120	101,089
■ Deferred Inflows at FYE 6/30/2025	-	-	-	-	-



## Supporting Calculations

### Difference in Actual Contribution and Proportionate Share of Contribution Calculation

	<u>Miscellaneous</u>
(1) Aggregate Risk Pool employer contributions for MP 2023/24*	\$ 734,440,850
(2) Employer proportion (FNP %)**	0.06260%
(3) Proportionate share of aggregate Employer contribution (1) * (2)	459,760
(4) Actual Contribution for Measurement Period 2023/2024	<u>505,126</u>
(5) Difference (4) - (3)	45,366

\* Supporting detail on page 18.

\*\* Supporting detail on page 17.



## Supporting Calculations

### Difference in Actual Contributions and Proportionate Share of Contributions

Calculation at June 30, 2025 financial statement date

	<u>2021 Measurement Date</u>	<u>2022 Measurement Date</u>	<u>2023 Measurement Date</u>	<u>2024 Measurement Date</u>	<u>Total</u>
Balance reported at June 30, 2024	(24,286)	(77,250)	17,188	45,366 *	
Remaining Amortization Years	0.7 years	1.7 years	2.8 years	3.8 years	
Current Year Amortization	24,286	45,441	(6,139)	(11,938)	51,650
Balance reported at June 30, 2025	-	(31,809)	11,049	33,428	12,668

\* Balance at July 1, 2024, after 6/30/24 reporting date.



## Supporting Calculations

### Recognition Schedule for Deferred Outflows/Inflows at June 30, 2025 Employer-Specific Deferral: Difference Between Actual & Proportionate Share of Employer Contributions

	Initial Recognition Period				Total
	2021/22	2022/23	2023/24	2024/25	
■ Measurement Period	2020/21	2021/22	2022/23	2023/24	
■ Initial amount	\$ (128,371)	\$ (168,132)	\$ 23,327	\$ 45,366	
■ Initial recognition period	3.7 years	3.7 years	3.8 years	3.8 years	
■ Amount recognized in FY pension expense					
• 2021/22 (3rd prior year)	(34,695)	N/A	N/A	N/A	(34,695)
• 2022/23 (2nd prior year)	(34,695)	(45,441)	N/A	N/A	(80,136)
• 2023/24 (Prior year)	(34,695)	(45,441)	6,139	N/A	(73,997)
• 2024/25 (Current year)	(24,286)	(45,441)	6,139	11,938	(51,650)
• 2025/26	-	(31,809)	6,139	11,938	(13,732)
• 2026/27	-	-	4,910	11,938	16,848
• 2027/28	-	-	-	9,552	9,552
• Total	(128,371)	(168,132)	23,327	45,366	(227,810)
■ Deferred Outflows at FYE 6/30/2025	-	-	11,049	33,428	44,477
■ Deferred Inflows at FYE 6/30/2025	-	(31,809)	-	-	(31,809)



## Supporting Calculations

### Recognition of Deferrals in Future Pension Expense

Measurement Period Ending June 30:	Fiscal Year Ending June 30:	Miscellaneous Risk Pool Amount			Employer Specific Amounts		Total
		Risk Pool Amount*	Applicable Percentage**	Authority's Proportionate Share	Change in Proportion***	Difference Between Actual and Proportionate Share of Contributions****	
■ 2025	■ 2026	\$ 279,832,392	0.07266%	\$ 203,315	\$ 71,295	\$ (13,732)	\$ 260,878
■ 2026	■ 2027	613,939,070	0.07266%	446,064	24,332	16,848	487,244
■ 2027	■ 2028	6,246,429	0.07266%	4,538	5,462	9,552	19,552
■ 2028	■ 2029	(95,417,236)	0.07266%	(69,326)	-	-	(69,326)
■ 2029	■ 2030	-	0.07266%	-	-	-	-
■ Thereafter	■ Thereafter	-	0.07266%	-	-	-	-

\* See page 18.

\*\* See page 22, unrounded allocation factor is used.

\*\*\* See page 26.

\*\*\*\* See page 29.



## Supporting Calculations

### GASBS 68 Balance Equation for Pension Expense Calculation

	Fiscal year ending		Change
	6/30/2025	6/30/2024	
■ Measurement date	6/30/2024	6/30/2023	
■ Total pension liability	\$ 15,559,129	\$ 14,591,800	\$ 967,329
■ Fiduciary net position	12,045,040	11,054,521	990,519
■ Net pension liability/(asset)	3,514,089	3,537,279	(23,190)
■ Deferred inflows of resources	43,664	129,567	(85,903)
■ Deferred (outflows) of resources *	(742,012)	(1,237,871)	495,859
■ Contributions in the measurement period	505,126	-	505,126
■ Net balance sheet impact	3,320,867	2,428,975	891,892
■ Pension Expense (Income)			891,892

\* The deferral for contributions after the measurement date is excluded.



## Supporting Calculations

**This page intentionally blank**



## Journal Entries

### Beginning Balances

Following summarizes the beginning balances from the 2023 measurement date \*

	<u>Debit</u>	<u>Credit</u>
Differences between expected and actual experience	\$ 180,703	\$ (28,031)
Changes of assumptions	213,561	-
Net differences between projected and actual earnings on plan investments	572,717	-
Change in employer's proportion	253,702	-
Differences between the employer's contributions and the employer's proportionate share of contributions	17,188	(101,536)
Total deferred outflow/inflow	1,237,871	(129,567)
Pension contributions subsequent to measurement date	505,126	-
Net Pension Liability	-	(3,537,279)
Net Impact	1,923,849	-
<i>Check</i>	3,666,846	(3,666,846)

\* Recorded at 6/30/24 fiscal year end.



## Journal Entries

### Employer Contributions

Following records the impact of employer contributions, assuming employer contributions were recorded as pension expense when paid.

	<u>Debit</u>	<u>Credit</u>
Net pension liability	\$ 505,126	
Deferred Outflow - FY 2024 contributions		\$ (505,126)
Deferred Outflow - FY 2025 contributions	568,296	
Pension Expense		(568,296)
<i>Check</i>	1,073,422	(1,073,422)



## Journal Entries

### Summary Journal Entries - Pension Expense

Following records the impact of current year pension expense

	<u>Debit</u>	<u>Credit</u>
Deferred Outflows	\$ 150,411	\$ (646,270)
Deferred Inflows	85,903	-
Pension Expense (Income)	891,892	-
Net pension liability	-	(481,936)
<i>Check</i>	<i>1,128,206</i>	<i>(1,128,206)</i>

See pages 38 and 37 ("Subtotal" row) for details.



## Journal Entries

### Ending Balances at June 30, 2025

	<u>Debit</u>	<u>Credit</u>
Differences between expected and actual experience	\$ 303,825	\$ (11,855)
Changes of assumptions	90,319	-
Net differences between projected and actual earnings on plan investments	202,302	-
Change in employer's proportion	101,089	-
Differences between the employer's contributions and the employer's proportionate share of contributions	44,477	(31,809)
Total deferred outflow/inflow	742,012	(43,664)
Pension contributions subsequent to measurement date	568,296	-
Net Pension Liability (NPL)	-	(3,514,089)
Net Impact	2,247,445	-
<i>Check</i>	<i>3,557,753</i>	<i>(3,557,753)</i>
Total pension expense (income) for FYE 2025	891,892	-



## Reconciliation of Deferred Outflows

(Detail for page 35)

Deferred Outflows	Opening Balance Debit	Journal Entry- Debit	Journal Entry - (Credit)	Ending Balance Debit
Differences between actual and expected experience	\$ 180,703	\$ 123,122	\$ -	\$ 303,825
Change in assumptions	213,561	-	(123,242)	90,319
Differences between projected and actual earnings on plan investments	572,717	-	(370,415)	202,302
<u>Employer Specific</u>				
Change in employer's proportion	253,702	-	(152,613)	101,089
Differences between the employer's contributions and the employer's proportionate share of contributions	17,188	27,289	-	44,477
Subtotal	1,237,871	150,411	(646,270)	742,012
Contributions after the Measurement Date	505,126	568,296	(505,126)	568,296
Total Deferred Outflows	1,742,997	718,707	(1,151,396)	1,310,308

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



## Reconciliation of Deferred Inflows

(Detail for page 35)

Deferred Inflows	Opening Balance (Credit)	Journal Entry- (Credit)	Journal Entry - Debit	Ending Balance (Credit)
Differences between actual and expected experience	\$ (28,031)	\$ -	\$ 16,176	\$ (11,855)
Change in assumptions	-	-	-	-
Differences between projected and actual earnings on plan investments	-	-	-	-
<u>Employer Specific</u>				
Change in employer's proportion	-	-	-	-
Differences between the employer's contributions and the employer's proportionate share of contributions	(101,536)	-	69,727	(31,809)
Total Deferred Inflows	(129,567)	-	85,903	(43,664)

Note "Changes" for Risk Pool deferrals equals total change from prior year to current year. "Changes" for employer-specific deferrals includes recognition of previous deferral or establishment of new deferral.



## Reconciliation of Deferred Outflows/(Inflows)

### Summary of Balances

	Fiscal year ending	
	6/30/2025	6/30/2024
■ Measurement date	6/30/2024	6/30/2023
■ Total pension liability	\$ (15,559,129)	\$ (14,591,800)
■ Fiduciary net position	12,045,040	11,054,521
■ Net pension (liability)/asset	(3,514,089)	(3,537,279)
■ Deferred (inflows) of resources	(43,664)	(129,567)
■ Deferred outflows of resources	1,310,308	1,742,997
■ Net balance sheet impact	(2,247,445)	(1,923,849)

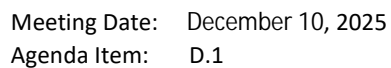
Deferred Outflows includes contributions after the measurement date.

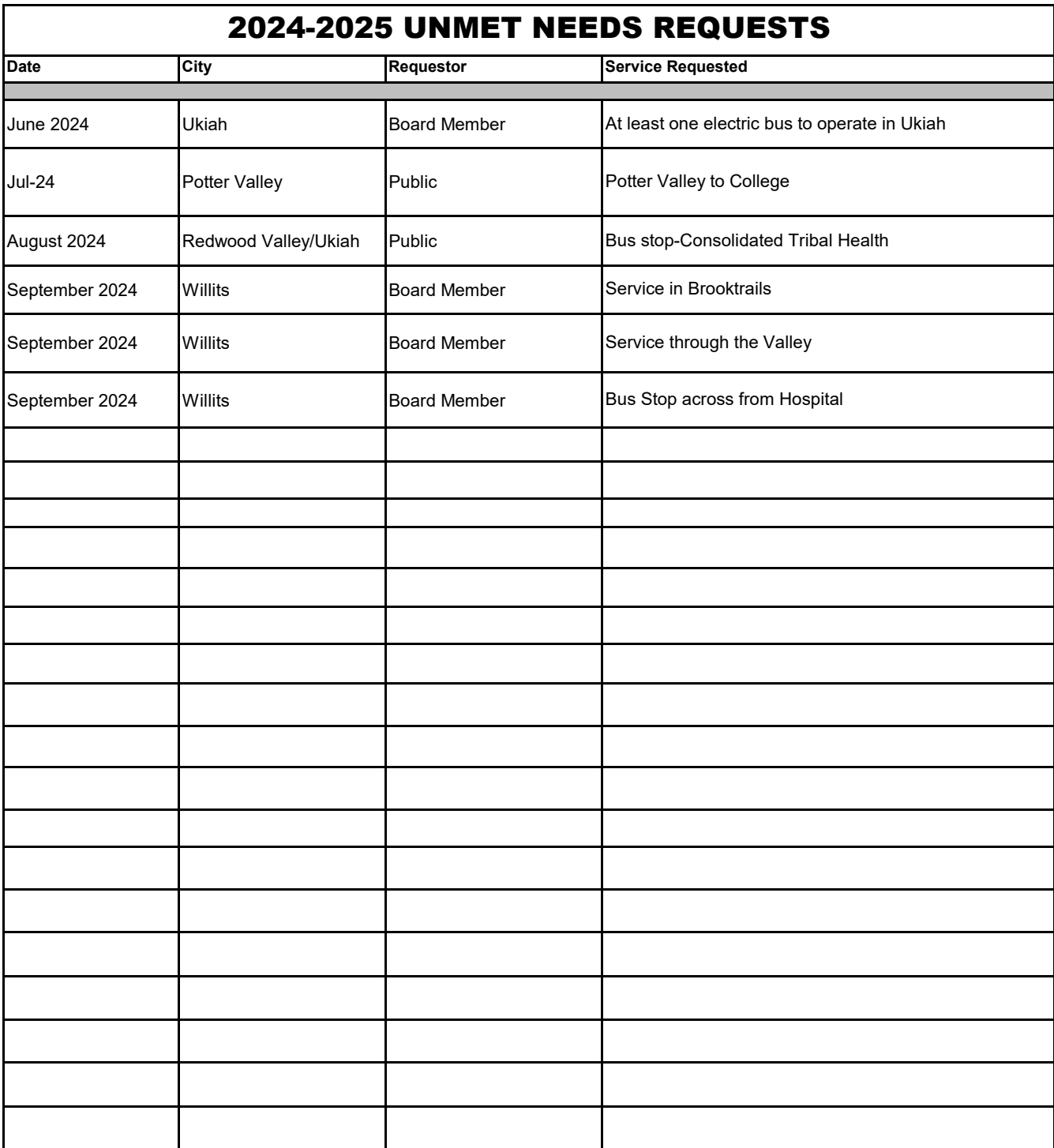


## Reconciliation of Deferred Outflows/(Inflows)

**This page intentionally blank**



[illegible]





**Meeting Date:** December 10, 2025

**Agenda Item:** D.2

## **AGENDA SUMMARY REPORT**

Discussion and Possible Approval of Resolution 2025-12 Approving MTA's updated EEO Policy

### **SUMMARY:**

At the request of the Board specific sections of the policy were recently examined for clarity and possible revisions. Proposed wording changes have been forwarded to legal counsel for review and confirmation of compliance with applicable federal and state regulations. The EEO Policy is reviewed periodically by MTA's attorney to reflect changes in law and to strengthen Mendocino Transit Authority's (MTA) commitment to providing a fair, respectful, and inclusive workplace. The most recent review was conducted to incorporate new California Civil Rights Department (CRD) guidance, federal Equal Employment Opportunity Commission (EEOC) definitions, and Caltrans compliance requirements for subrecipients of federal and state funding. The EEO Policy is periodically reviewed by MTA's legal counsel to ensure it reflects current laws, regulatory requirements, and best practices.

### **STAFF RECOMMENDATION:**

Staff recommends that the Board approve the revised Equal Employment Opportunity Policy (2025) to ensure compliance with evolving legal standards and to reinforce MTA's continued leadership in promoting workplace equity and inclusion.

### **ATTACHMENTS:**

Redline and Clean copy of MTA's updated EEO policy  
Resolution 2025-12

# Equal Employment Opportunity Program Policy (Draft 2025)

## Objective

Mendocino Transit Authority (~~MTA~~) is an equal opportunity employer. In accordance with federal and state anti-discrimination law, this policy is adopted to effectuate principles of equity, fairness, and compliance. ~~Mendocino Transit Authority MTA~~ strictly prohibits discrimination, harassment, ~~bullying~~, and retaliation of any type. Equal employment opportunities are afforded without regard to race (inclusive of traits associated with race, including but not limited to hair texture and protective hairstyles, such as braids, locs, and twists), religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity), gender expression (including transgender expression), age, sexual orientation, veteran or military status, or any combination of these characteristics, a perception that an applicant or employee is associated with a person who has, or is perceived to have, any of the above characteristics or a combination of any of the above characteristics protected by federal and/or state law. Mendocino Transit Authority conforms to the spirit as well as to the letter of all applicable laws and regulations. ~~face, color, religion, creed, sex, sexual orientation, gender identity, gender expression, pregnancy, childbirth or related medical conditions, age, national origin, ancestry, disability status (physical or mental), medical condition, genetic information, protected veteran or military status, marital or family status, political affiliation, domestic violence victim status, or any other protected category under federal, state, or local law.~~

Formatted: Font: +Body (Cambria)

## Scope

This policy applies to all aspects of the employment relationship, including recruitment, employment, promotion, transfer, training, working conditions, wages and salary administration, benefits, and termination. The policy also extends to contractors, subcontractors, vendors, and subrecipients of federal or state funding, consistent with Caltrans requirements. The principles of Equal Employment Opportunity (EEO) also apply to temporary staff, interns, independent contractors, and any entity doing business with or on behalf of ~~Mendocino Transit Authority~~ MTA.

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or by someone not directly connected to Mendocino Transit Authority (e.g., an outside vendor, consultant or customer).

Formatted: Font: +Body (Cambria)

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

## **Dissemination and Implementation**

The Human Resources Department is responsible for dissemination of this policy and overall compliance. Directors, managers, and supervisors are responsible for implementing EEO practices within their departments. Personnel records will be maintained in compliance with applicable federal and state requirements. All required postings (including 'EEO is the Law') shall be displayed prominently in Mendocino Transit Authority facilities and electronically accessible.

Formatted: Font: +Body (Cambria)

## **Procedures**

Mendocino Transit Authority MTA administers this EEO policy fairly and consistently by:

- Posting all required notices regarding employee rights under EEO laws.
- Advertising all job openings with the EEO statement.
- Posting openings with state employment agencies.
- Prohibiting retaliation against individuals who file charges, oppose discrimination, report harassment, or participate in EEO proceedings.
- Requiring prompt reporting of incidents of discrimination or harassment within 48 hours when possible.
- Ensuring Human Resources promptly investigates all reported incidents and takes appropriate measures to address the situation.

Formatted: Font: +Body (Cambria)

## **Harassment**

Mendocino Transit Authority prohibits harassment of any kind, including sexual harassment, and will take appropriate and immediate action in response to complaints or knowledge of violations of this policy. For purposes of this policy, harassment may include any verbal or physical conduct designed to threaten, intimidate or coerce an employee, co-worker, or any person working for or on behalf of Mendocino Transit Authority.

Formatted: Font: +Body (Cambria)

The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal harassment includes comments that are offensive or unwelcome regarding a person's national origin, race, color, religion, age, sex, sexual orientation, pregnancy, appearance, disability, gender identity or expression, marital status or other protected status, including epithets, slurs and negative stereotyping.

Formatted: Font: Font color: Accent 1

Formatted: Font: +Body (Cambria), 11 pt, Not Bold

Formatted: Font: Font color: Accent 1

Formatted: Font: +Body (Cambria)

Formatted: Space Before: 0 pt

Formatted: Normal

- Nonverbal harassment includes distribution, display or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital status or other protected status.

**Formatted:** Space Before: 0 pt, Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Harassment becomes unlawful where:

- Enduring the offensive conduct becomes a condition of continued employment, or
- The conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile or abusive.

**Formatted:** Bulleted + Level: 1 + Aligned at: 0.75" + Indent at: 1"

Harassment of any kind, including sexual harassment, is prohibited and will be addressed promptly. Harassment includes verbal or physical conduct intended to threaten, intimidate, or coerce, based on protected characteristics.

**Formatted:** Normal

Examples of harassment include:

- Verbal: epithets, slurs, offensive jokes, or stereotyping.
- Nonverbal: derogatory posters, cartoons, or emails.
- Physical: blocking movement, unwelcome touching, assault.

## Sexual Harassment

**Formatted:** Font: +Body (Cambria)

Sexual harassment is a form of unlawful employment discrimination under Title VII of the Civil Rights Act of 1964 and is prohibited under Mendocino Transit Authority's anti-harassment policy. According to the Equal Employment Opportunity Commission (EEOC), sexual harassment is defined as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature ... when ... submission to or rejection of such conduct is used as the basis for employment decisions ... or such conduct has the purpose or effect of ... creating an intimidating, hostile or offensive working environment."

**Formatted:** Space Before: 0 pt

As used in this policy sexual harassment is defined as harassment based on sex or conduct of a sexual nature, and includes harassment based on sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity or gender expression. It may include all of the actions described above as harassment, as well as other unwelcome sex-based conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, or other verbal or physical conduct of a sexual nature. Sexually harassing conduct need not be motivated by sexual desire and may include situations that began as reciprocal relationships, but that later cease to be reciprocal.

**Formatted:** Normal

**Formatted:** Normal

Sexual harassment is generally categorized into two types:

Formatted: Space After: 0 pt

1. Quid Pro Quo Sexual Harassment ("this for that")

- Submission to sexual conduct is made explicitly or implicitly a term or condition of an individual's employment.
- Submission to or rejection of the conduct by an employee is used as the basis for employment decisions affecting the employee.

Formatted: List Paragraph, Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

2. Hostile Work Environment Sexual Harassment

Formatted: Space After: 0 pt

Conduct of a sexual nature or on the basis of sex by any person in the workplace that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile or otherwise offensive working environment. Examples include:

- Unwelcome sexual advances, flirtation, teasing, sexually suggestive or obscene letters, invitations, notes, emails, voicemails or gifts.
- Sex, gender or sexual orientation-related comments, slurs, jokes, remarks or epithets.
- Leering, obscene or vulgar gestures or making sexual gestures.
- Displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, or posters or any such items.
- Impeding or blocking movement, unwelcome touching or assaulting others.
- Any sexual advances that are unwelcome as well as reprisals or threats after a negative response to sexual advances.
- Conduct or comments consistently targeted at one gender, even if the content is not sexual.

Formatted: List Paragraph, Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Formatted: List Paragraph, Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Courteous, mutually respectful, pleasant, noncoercive interactions between employees that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be harassment, including sexual harassment. Sexual harassment is a form of unlawful employment discrimination under Title VII and FEHA. It includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission to or rejection of such conduct is a basis for employment decisions, or such conduct creates a hostile work environment.

Formatted: Normal

Formatted: Space After: 0 pt

Types include:

- ~~Quid Pro Quo: employment benefits conditioned on sexual favors.~~
- ~~Hostile Work Environment: conduct of a sexual nature that interferes with work performance or creates an intimidating environment.~~

## Retaliation

No hardship, loss, benefit, or penalty may be imposed on an employee in response to filing ~~or responding to~~ a complaint, ~~or serving as a witness in the investigation of a~~, ~~or complaint or~~ opposing unlawful practices. ~~Lodging a bona fide complaint will in no way be used against the employee or have an adverse impact on the individual's employment status. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.~~ ~~Good-faith complaints are protected even if not substantiated. Groundless or malicious complaints may result in discipline.~~

Formatted: Font: +Body (Cambria)

## Abusive Conduct (Bullying)

~~Bullying is repeated, health-harming mistreatment of one or more people by one or more perpetrators that is not based on a legally protected trait. It is abusive conduct that includes:~~

- ~~Threatening, humiliating or intimidating behaviors.~~
- ~~Work interference/sabotage that prevents work from getting done.~~
- ~~Verbal abuse.~~

Formatted: Font: +Body (Cambria)

Formatted: Space After: 0 pt

~~Mendocino Transit Authority considers the following types of behavior examples of bullying:~~

- ~~Verbal bullying. Slandering, ridiculing or maligning a person or his or her family; persistent name-calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.~~
- ~~Physical bullying. Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.~~
- ~~Gesture bullying. Nonverbal gestures that can convey threatening messages.~~
- ~~Exclusion. Socially or physically excluding or disregarding a person in work-related activities.~~

Formatted: List Paragraph, Bulleted + Level: 1 +  
Aligned at: 0.25" + Indent at: 0.5"

Formatted: Space After: 0 pt

Formatted: List Paragraph, Bulleted + Level: 1 +  
Aligned at: 0.25" + Indent at: 0.5"

Individuals who feel they have experienced bullying should report this to their supervisor or to Human Resources before the conduct becomes severe or pervasive. All employees are strongly encouraged to report any bullying conduct they experience or witness as soon as possible to allow Mendocino Transit Authority to take appropriate action.

**Bullying is repeated, health-harming mistreatment, including verbal abuse, threats, humiliation, intimidation, sabotage, or social exclusion. Employees are strongly encouraged to report abusive conduct promptly.**

Formatted: Space After: 0 pt

### **Training Requirements**

Supervisory employees must complete sexual harassment, discrimination and retaliation prevention and workplace civility training every two years, as required by 2 CCR 11024 law. Supervisory employees will additionally be trained on Training must include how to respond promptly to harassment, the effects of abusive conduct, and intervention strategies.

Formatted: Font: +Body (Cambria)

### **Reporting and Complaint Procedure**

Mendocino Transit Authority encourages reporting of all perceived incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe that they have been the victim of such conduct should discuss their concerns with their immediate supervisor, Human Resources or any other individual in a supervisory or managerial position.

Formatted: Font: +Body (Cambria)

In addition, Mendocino Transit Authority encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that their behavior is unwelcome and to request that it be discontinued. Often this action alone will resolve the problem. Mendocino Transit Authority recognizes, however, that an individual may prefer to pursue the matter through complaint procedures. Employees, applicants, or contractors who believe they have experienced discrimination, harassment, or retaliation should report the conduct to their supervisor, HR, or the EEO Officer. Complaints should be made as early as possible. MTA will investigate promptly, including interviews and review of evidence, and maintain confidentiality to the extent feasible.

Mendocino Transit Authority encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, while no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Mendocino Transit Authority will maintain confidentiality throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

Investigations will generally be completed within 90 days. Both complainant and respondent will be notified of the outcome. False and malicious complaints may result in disciplinary action.

## **Remedies**

Formatted: Font: +Body (Cambria)

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. Responsive action may include, for example, training, referral to counseling or disciplinary action such as a warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay, or termination, as Mendocino Transit Authority believes appropriate under the circumstances.

**Violations of this policy will be addressed with appropriate corrective action, which may include training, counseling, discipline, reassignment, suspension, or termination. Contractors or vendors in violation may face termination of contract.**

## **External Reporting Rights**

Formatted: Font: +Body (Cambria)

Nothing in this policy will preclude an individual from filing a complaint with the California Civil Rights Department (CRD) and/or the Equal Employment Opportunity Commission (EEOC). Any form of retaliation is prohibited against an individual who pursues administrative relief through either agency, in addition to seeking relief under internal administrative procedures afforded by this policy. For more information on filing a complaint with the CRD or the EEOC, please refer to the following information:  
Nothing in this policy precludes an individual from filing with outside agencies such as:

- ~~▲~~ U.S. Equal Employment Opportunity Commission (EEOC), [www.eeoc.gov](http://www.eeoc.gov), 800-669-4000
- ~~▲~~ California Civil Rights Department (CRD, formerly DFEH), [www.calcivilrights.ca.gov](http://www.calcivilrights.ca.gov), 800-884-1684

**Formatted:** Indent: Left: 0.25", No bullets or numbering

### **Data Collection, Monitoring, and Reporting**

~~Mendocino Transit Authority MTA~~ will comply with all workforce reporting requirements, including EEO-4 (state/local government) and EEO-1 (where applicable). ~~Mendocino Transit Authority MTA~~ will monitor internal workforce demographics, analyze barriers, and prepare for potential reinstatement of EEO-1 pay data collection (Component 2). Contractors and subrecipients must also comply with nondiscrimination and reporting requirements under Caltrans.

**Formatted:** Font: +Body (Cambria)

### **~~Review and Updates~~**

~~This policy will be reviewed every four years, or sooner as required by federal or state law, CalHR, Caltrans, or Board directive.~~

**Formatted:** Level 1, Space Before: 24 pt, After: 0 pt, Keep with next, Keep lines together

# Equal Employment Opportunity Program Policy (Draft 2025)

---

## Objective

Mendocino Transit Authority is an equal opportunity employer. In accordance with federal and state anti-discrimination law, this policy is adopted to effectuate principles of equity, fairness, and compliance. Mendocino Transit Authority strictly prohibits discrimination, harassment and retaliation of any type. Equal employment opportunities are afforded without regard to race (inclusive of traits associated with race, including but not limited to hair texture and protective hairstyles, such as braids, locs, and twists), religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity), gender expression (including transgender expression), age, sexual orientation, veteran or military status, or any combination of these characteristics, a perception that an applicant or employee is associated with a person who has, or is perceived to have, any of the above characteristics or a combination of any of the above characteristics protected by federal and/or state law. Mendocino Transit Authority conforms to the spirit as well as to the letter of all applicable laws and regulations.

## Scope

This policy applies to all aspects of the employment relationship, including recruitment, employment, promotion, transfer, training, working conditions, wages and salary administration, benefits, and termination. The policy also extends to contractors, subcontractors, vendors, and subrecipients of federal or state funding, consistent with Caltrans requirements. The principles of Equal Employment Opportunity (EEO) also apply to temporary staff, interns, independent contractors, and any entity doing business with or on behalf of Mendocino Transit Authority.

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or by someone not directly connected to Mendocino Transit Authority (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

## Dissemination and Implementation

The Human Resources Department is responsible for dissemination of this policy and overall compliance. Directors, managers, and supervisors are responsible for implementing EEO practices within their departments. Personnel records will be maintained in compliance with applicable federal and state requirements. All required postings (including 'EEO is the Law') shall be displayed prominently in Mendocino Transit Authority facilities and electronically accessible.

## Procedures

Mendocino Transit Authority administers this EEO policy fairly and consistently by:

- Posting all required notices regarding employee rights under EEO laws.
- Advertising all job openings with the EEO statement.
- Posting openings with state employment agencies.
- Prohibiting retaliation against individuals who file charges, oppose discrimination, report harassment, or participate in EEO proceedings.
- Requiring prompt reporting of incidents of discrimination or harassment within 48 hours when possible.
- Ensuring Human Resources promptly investigates all reported incidents and takes appropriate measures to address the situation.

## Harassment

Mendocino Transit Authority prohibits harassment of any kind, including sexual harassment, and will take appropriate and immediate action in response to complaints or knowledge of violations of this policy. For purposes of this policy, harassment may include any verbal or physical conduct designed to threaten, intimidate or coerce an employee, co-worker, or any person working for or on behalf of [Mendocino Transit Authority](#).

The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal harassment includes comments that are offensive or unwelcome regarding a person's national origin, race, color, religion, age, sex, sexual orientation, pregnancy, appearance, disability, gender identity or expression, marital status or other protected status, including epithets, slurs and negative stereotyping.

- Nonverbal harassment includes distribution, display or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital status or other protected status.

Harassment becomes unlawful where:

- Enduring the offensive conduct becomes a condition of continued employment, or
- The conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile or abusive.

## Sexual Harassment

Sexual harassment is a form of unlawful employment discrimination under Title VII of the Civil Rights Act of 1964 and is prohibited under Mendocino Transit Authority's anti-harassment policy. According to the Equal Employment Opportunity Commission (EEOC), sexual harassment is defined as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature ... when ... submission to or rejection of such conduct is used as the basis for employment decisions ... or such conduct has the purpose or effect of ... creating an intimidating, hostile or offensive working environment."

As used in this policy sexual harassment is defined as harassment based on sex or conduct of a sexual nature, and includes harassment based on sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity or gender expression. It may include all of the actions described above as harassment, as well as other unwelcome sex-based conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, or other verbal or physical conduct of a sexual nature. Sexually harassing conduct need not be motivated by sexual desire and may include situations that began as reciprocal relationships, but that later cease to be reciprocal.

Sexual harassment is generally categorized into two types:

### 1. Quid Pro Quo Sexual Harassment ("this for that")

- Submission to sexual conduct is made explicitly or implicitly a term or condition of an individual's employment.
- Submission to or rejection of the conduct by an employee is used as the basis for employment decisions affecting the employee.

## 2. Hostile Work Environment Sexual Harassment

Conduct of a sexual nature or on the basis of sex by any person in the workplace that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile or otherwise offensive working environment. Examples include:

- Unwelcome sexual advances, flirtation, teasing, sexually suggestive or obscene letters, invitations, notes, emails, voicemails or gifts.
- Sex, gender or sexual orientation-related comments, slurs, jokes, remarks or epithets.
- Leering, obscene or vulgar gestures or making sexual gestures.
- Displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, or posters or any such items.
- Impeding or blocking movement, unwelcome touching or assaulting others.
- Any sexual advances that are unwelcome as well as reprisals or threats after a negative response to sexual advances.
- Conduct or comments consistently targeted at one gender, even if the content is not sexual.

Courteous, mutually respectful, pleasant, noncoercive interactions between employees that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be harassment, including sexual harassment.

### **Retaliation**

No hardship, loss, benefit, or penalty may be imposed on an employee in response to filing or responding to a complaint, appearing as a witness in the investigation of a complaint or opposing unlawful practices. Lodging a bona fide complaint will in no way be used against the employee or have an adverse impact on the individual's employment status. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.

### **Abusive Conduct (Bullying)**

Bullying is repeated, health-harming mistreatment of one or more people by one or more perpetrators that is not based on a legally protected trait. It is abusive conduct that

includes:

- Threatening, humiliating or intimidating behaviors.
- Work interference/sabotage that prevents work from getting done.
- Verbal abuse.

Mendocino Transit Authority considers the following types of behavior examples of bullying:

- Verbal bullying. Slandering, ridiculing or maligning a person or his or her family; persistent name-calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- Physical bullying. Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.
- Gesture bullying. Nonverbal gestures that can convey threatening messages.
- Exclusion. Socially or physically excluding or disregarding a person in work-related activities.

Individuals who feel they have experienced bullying should report this to their supervisor or to Human Resources before the conduct becomes severe or pervasive. All employees are strongly encouraged to report any bullying conduct they experience or witness as soon as possible to allow Mendocino Transit Authority to take appropriate action.

## **Training Requirements**

Employees must complete harassment, discrimination and retaliation prevention and workplace civility training every two years, as required by law. Supervisory employees will additionally be trained on how to respond promptly to harassment, the effects of abusive conduct, and intervention strategies.

## **Reporting and Complaint Procedure**

Mendocino Transit Authority encourages reporting of all perceived incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe that they have been the victim of such conduct should discuss their concerns with their immediate supervisor, Human Resources or any other individual in a supervisory or managerial position.

In addition, Mendocino Transit Authority encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that their behavior is unwelcome and to request that it be discontinued. Often this action alone will resolve the problem.

Mendocino Transit Authority recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

Mendocino Transit Authority encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, while no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Mendocino Transit Authority will maintain confidentiality throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

## **Remedies**

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Violations of this policy, regardless of whether an actual law has been violated, will not be tolerated. Responsive action may include, for example, training, referral to counseling or disciplinary action such as a warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay, or termination, as Mendocino Transit Authority believes appropriate under the circumstances.

## **External Reporting Rights**

Nothing in this policy will preclude an individual from filing a complaint with the California Civil Rights Department (CRD) and/or the Equal Employment Opportunity Commission (EEOC). Any form of retaliation is prohibited against an individual who pursues administrative relief through either agency, in addition to seeking relief under internal administrative procedures afforded by this policy. For more information on filing a complaint with the CRD or the EEOC, please refer to the following information:

- U.S. Equal Employment Opportunity Commission (EEOC), [www.eeoc.gov](http://www.eeoc.gov), 800-669-4000

- California Civil Rights Department (CRD, formerly DFEH), [www.calcivilrights.ca.gov](http://www.calcivilrights.ca.gov), 800-884-1684

### **Data Collection, Monitoring, and Reporting**

Mendocino Transit Authority will comply with all workforce reporting requirements, including EEO-4 (state/local government) and EEO-1 (where applicable). Mendocino Transit Authority will monitor internal workforce demographics, analyze barriers, and prepare for potential reinstatement of EEO-1 pay data collection (Component 2). Contractors and subrecipients must also comply with nondiscrimination and reporting requirements under Caltrans.



## MENDOCINO TRANSIT AUTHORITY

### BOARD OF DIRECTORS RESOLUTION NO. 2025-12

#### *Adoption of the Updated Equal Employment Opportunity (EEO) Policy*

WHEREAS, the Mendocino Transit Authority (MTA) is a recipient of federal, state, and local funds and is required under Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act (FEHA), and Caltrans guidelines to maintain and implement an Equal Employment Opportunity (EEO) Policy; and

WHEREAS, MTA's EEO Policy ensures fair and equitable treatment in all aspects of employment and contracting, consistent with principles of nondiscrimination, equity, and inclusion; and

WHEREAS, the existing EEO Policy (2020–2021) has been reviewed and updated to reflect current federal and state laws, including expanded protected categories, revised harassment and bullying definitions, updated complaint procedures, and clarified data reporting obligations in accordance with Caltrans DP-01 (2021); and

WHEREAS, MTA staff has presented the updated EEO Policy to the Board of Directors for consideration, as summarized in the accompanying Board Memorandum dated October 29, 2025;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Mendocino Transit Authority hereby adopts the Updated Equal Employment Opportunity (EEO) Policy, effective October 29, 2025, as presented; and

BE IT FURTHER RESOLVED, that the Board authorizes the Executive Director and Human Resources/EEO Officer to implement the policy, disseminate it to all employees and contractors, and ensure continued compliance with applicable federal and state EEO requirements.

PASSED AND ADOPTED this 10th day of December, 2025, by the following vote:

AYES:	
NOES:	
ABSENT:	
ABSTAIN:	

APPROVED:

\_\_\_\_\_  
**Chair, MTA Board of Directors**

ATTEST: \_\_\_\_\_  
Executive Director, Mendocino Transit Authority



Meeting Date: December 10, 2025

Agenda Item: D.3

## AGENDA SUMMARY REPORT

### Discussion of Systemwide Fare Realignment and Simplification

#### **SUMMARY:**

The purpose of this report is to continue the Board's discussion of potential systemwide fare realignment and to present additional information gathered since last month's introductory briefing. MTA's fare structure has developed over many years and now varies across routes and service areas. These differences can be confusing for passengers and complicated for staff to administer. A systemwide fare realignment presents an opportunity to modernize MTA's fare system in a way that makes transit more affordable for cost-sensitive riders, helping rebuild ridership and strengthen connections for intercounty travel.

Since last month's introduction, staff have continued gathering data and coordinating with Cal-ITP and neighboring transit agencies to identify potential alignment opportunities and best practices

#### **STAFF RECOMMENDATION:**

Staff recommend that the Board continue discussions on systemwide fare realignment and consider next steps for refining and presenting fare review options.

#### **ATTACHMENTS:**

What Others Are Doing

Cal-ITP Statewide Fare Guidelines

# Attachment: Regional Fare Practices and Rationale for Simplified Fare Structures

## Overview

As MTA continues discussions regarding systemwide fare realignment, MTA staff and the California Integrated Travel Project (Cal-ITP) have reviewed fare structures and recent policy changes implemented by neighboring and comparable transit agencies. This attachment summarizes what other agencies are doing, highlights key trends in fare simplification, and provides supporting research from statewide guidance documents. The purpose is to provide background for the Board as MTA evaluates opportunities to modernize, simplify, and coordinate its fare policies.

---

## What Other Agencies Are Doing

Transit agencies across California—particularly rural and small urban systems—are transitioning toward simpler, more unified fare structures. These changes are driven by the need to improve accessibility, support modern fare technologies, and reduce administrative burden.

### Agencies with Simplified, Rider-Friendly Fare Systems

#### Humboldt Transit Authority (HTA)

- Flat fare: **\$2 for a 2-hour pass**, valid systemwide.
- Fare caps mirror existing pass prices, ensuring riders never overpay.
- HTA reports **no noticeable decline in farebox revenue** after streamlining. In fact, ridership has increased.
- While multiple factors influence ridership growth, staff note that a simplified structure improves understanding for riders and reduces administrative burden.
- HTA has stated that the new structure has created **efficiencies in budgeting, reporting, and customer service**, leading to time savings for staff.

#### Monterey-Salinas Transit (MST)

- Flat fare: **\$2 for 2-hour unlimited travel**, with **50% discounts** for eligible groups.
- Fare capping aligns with their pass structure, reducing the need for riders to pre-purchase higher-cost passes.

#### Santa Barbara Metropolitan Transit District (SBMTD)

- Recently implemented a fare adjustment.

- One-way fare increased to **\$2.50**, with **50% discounts** for eligible riders.
- Contactless fare payment now includes capping that matches the price of day and month passes.
- Their fare simplification supports the transition into a fully modernized fare collection system.

These agencies have moved toward structures that are easy to communicate, easy to implement across various routes, and compatible with regional collaboration.

---

## Agencies with Complicated or Outdated Structures

### Fresno County Rural Transit Agency (FCRTA)

- Riders must consult multiple PDFs containing fare tables for each route or community.
- This approach makes it difficult for new riders to understand costs and nearly impossible to capture on a single webpage or map.
- The complexity itself illustrates the challenge: riders should not have to “hunt” through tables to decipher what a trip will cost.

### San Luis Obispo Regional Transit Authority (SLORTA)

- Uses **different fare structures by route**, creating barriers for riders traveling across the county.
- When implementing contactless payment technologies, SLORTA reported that these legacy inconsistencies were a significant barrier, requiring additional programming and fare logic to accommodate route-by-route exceptions.

These examples demonstrate how complexity creates operational challenges and prevents seamless fare technology adoption.

---

## Why Simplify?

### Statewide Guidance & Research

California Integrated Travel Project (Cal-ITP) developed a **Fare Guidelines Toolkit**, informed by national best practices and rural fare policy experts. The Toolkit is not a mandate but instead provides recommendations for agencies seeking to:

- Modernize their fare systems
- Improve accessibility and clarity for riders
- Reduce administrative costs
- Align with regional fare coordination and technology initiatives

The Toolkit states:

“The guidelines are not requirements; they are recommendations for agencies looking for opportunities to simplify their fare structures, and they reflect an initial step toward ongoing fare coordination opportunities with nearby transit agencies. Agencies are encouraged to simplify their fare structures and policies at any time, but particularly in advance of, or in conjunction with, changes in fare collection technology.”

This aligns with MTA’s upcoming technology considerations and regional collaboration opportunities.

---

## Key Policy Question: Flat Fare vs. Distance-Based Fare

Rural systems often face the question of whether to charge based on distance or adopt a flat systemwide fare. The Cal-ITP toolkit provides the following guidance (highlight added):

“Within bus-only agencies, a fundamental decision is whether to offer a **Single Ride fare** (with no transfer privileges within the agency), or to offer a **Short-Term Period Product** (such as a 2-hour pass, allowing unlimited travel on similarly priced services within the agency). An agency’s size, geographic context, and network design will help determine which is most appropriate. **Within a multi-agency region, it is preferable to have all agencies choose the same product.**”

This means that when neighboring agencies adopt similar fare structures, it becomes easier for:

- Riders to understand the cost of travel across county lines
- Transit providers to compare data and evaluate performance
- Agencies to participate in coordinated or reciprocal fare programs
- Technology vendors to implement simple, interoperable solutions

HTA’s two-hour fare model is already being explored by Redwood Coast Transit Authority (RCTA) and Lake Transit Authority. If Mendocino were to adopt a similar approach, it could open the door to future regional fare coordination and simplify travel for riders who frequently move between these systems.

---

## Summary

A growing number of peer agencies are moving toward simplified fare structures—typically flat or time-based fares with clear discount programs. Agencies that have done so report operational benefits, ease of implementation for new technologies, clearer communication with riders, and in some cases, improved ridership.

This attachment provides supporting context for ongoing discussions about MTA’s fare system and identifies opportunities for future consideration as the Board provides direction on developing a systemwide fare realignment proposal.

## Table 1. Comparison of Peer Agency Fare Structures

Agency	Base Fare / Structure	Transfers	Discounts	Fare Capping	Notes
<b>Humboldt Transit Authority (HTA)</b>	\$2 for 2-hour pass (systemwide)	Unlimited within 2 hours	Yes – standard reduced fare categories	Yes – caps align with pass prices	Reports no decline in fare revenue; ridership increased; simplified structure reduced administrative burden.
<b>Monterey-Salinas Transit (MST)</b>	\$2 for 2-hour unlimited travel	Unlimited within 2 hours	50% discount for eligible riders	Yes	Highly simplified structure; aligns with modern fare technology.
<b>Santa Barbara MTD (SBMTD)</b>	\$2.50 one-way	Transfer policy integrated with caps	50% discount	Contactless fare capping matching day/month passes	Recently increased fares; modernization tied to payment technology.
<b>Redwood Coast Transit Authority (RCTA)</b>	Exploring HTA-style simplification	TBD	Standard discount	TBD	Considering regional alignment with HTA’s 2-hour pass model.
<b>Lake Transit Authority (LTA)</b>	Exploring simplified fare models	TBD	Standard discount	TBD	Regional coordination under consideration.

Agency	Base Fare / Structure	Transfers	Discounts	Fare Capping	Notes
<b>Fresno County Rural Transit Agency (FCRTA)</b>	Varies by route and area	Not standardized	Unknown from public PDFs	No	Extremely complex; difficult for riders to understand due to dispersed fare tables.
<b>San Luis Obispo RTA (SLORTA)</b>	Varies by route	Route-specific	Standard reduced fares	No	Route-by-route differences complicate modern fare system implementation.

## Table 2. Summary of Fare Policy Trends and Impacts

Category	Simplified Fare Systems	Complicated Fare Systems
<b>Rider Understanding</b>	Easy to explain and communicate; riders know what to expect	Confusing, especially for new or occasional riders
<b>Ease of Use</b>	Simple rules encourage ridership and reduce barriers	Riders must consult tables, PDFs, or multiple sources
<b>Technology Compatibility</b>	Well-aligned with mobile ticketing & fare capping	Difficult for vendors to program multiple fare types
<b>Administrative Burden</b>	Lower staff time spent on explaining, auditing, reconciling fares	Increased staff time for customer questions & back-office processes
<b>Revenue Impacts</b>	Mixed but stable agencies like HTA saw no revenue loss and increased ridership	Hard to predict due to inconsistent structure; potential inefficiencies
<b>Regional Coordination</b>	Makes cross-county travel easier; helps align policies with neighbors	Limit's ability to collaborate, share data, or participate in regional programs

Category	Simplified Fare Systems	Complicated Fare Systems
Equity & Accessibility	Consistent discounts and predictable fares benefit low-income riders	Harder to ensure fairness when fares vary by route or trip type

---

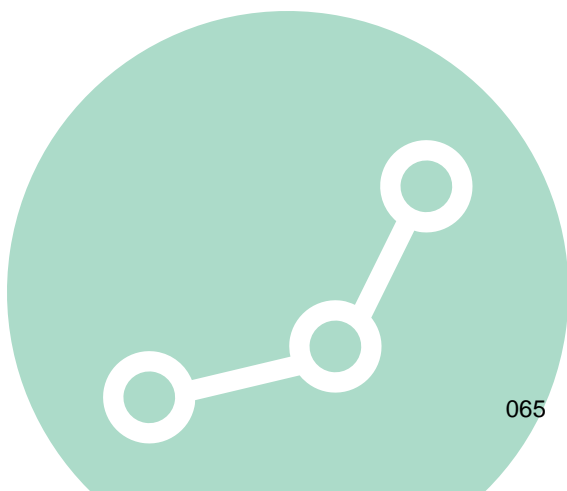
## Table 3. Flat Fare vs. Distance-Based Fare Considerations (Based on Cal-ITP Guidance)

Consideration	Flat Fare / Time-Based (e.g., 2-hour pass)	Distance-Based Fare
Ease of Communication	Very easy; one core rule applies everywhere	Harder; must explain zones or mile-based tiers
Equity	Supports low-income riders; predictable cost	Longer-distance riders may pay more; complexity adds burden
Regional Coordination	Strong alignment with nearby agencies (HTA, RCTA, LTA exploring this)	Challenging to align if neighbors use different distance bands
Technology Integration	Ideal for contactless systems and fare capping	Complex for vendors; requires detailed logic
Operational Efficiency	Faster boarding; fewer disputes	Slower boarding due to questions or misunderstandings
Revenue Stability	Generally stable if fare caps and passes are aligned	Harder to forecast; sensitive to route lengths
Best Fit For	Small to mid-size bus networks, rural agencies with regional partners	Very large networks with high-frequency zones (not typical in rural counties)



# Statewide Fare Guidelines Toolkit





# Table of Contents

---

Fare Guidelines Context .....3

Fare Policy Components .....4

Selecting the Appropriate  
Fare Guidelines Toolkit.....8

Toolkit #1  
**Bus-only agencies.....11**

Toolkit #2  
**Multi-Modal agencies,  
with Substantial Bus Network.....17**

Toolkit #3  
**Multi-Modal agencies,  
with Substantial Rail/Ferry Network.....23**



# Fare Guidelines Context

California's public transportation network is made up of hundreds of public transit agencies, each with their own fare policies and products. The California Integrated Travel Project (Cal-ITP) has estimated that there are approximately 200 entities that are publicly funded and provide fixed-route service that is available for the general public to ride without advance reservations across the state. Many of these entities operate within geographic areas where customers rely on multiple transit agencies to travel from their origin to destination. If agencies within a region or across adjacent regions have markedly different fare policies, this presents a challenge to achieving seamless transit usability and accessibility for residents of—and visitors to—the state of California.

The authors of this document recognize that local agencies maintain control over fare policy decisions. Agency fare policies reflect local goals and needs, geographic context, and fare collection technology choices. Fare policy also remains one of the main mechanisms that an agency has to identify new customer markets, increase ridership, and meet financial goals, such as farebox recovery targets.

While acknowledging the need to simplify and coordinate fares across the state while fare policy decision-making remains with transit agencies, this document proposes a series of fare policy guidelines for transit agency consideration and adoption.

The guidelines are not requirements; they are recommendations for agencies looking for opportunities to simplify their fare structures, and they reflect an initial step toward ongoing fare coordination opportunities with nearby transit agencies. Agencies are encouraged to simplify their fare structures and policies at any time, but particularly in advance of, or in conjunction with, changes in fare collection technology.

# Fare Policy Components

At a high level, **transit fare policy** establishes principles and goals that guide fare-related decisions for a transit agency. Fare policy may include short-term and long-term goals, and may provide direction on when policies should be reviewed and updated (examples include a major change in policy, new technology implementation, or introduction of a new service). Many fare policies are accompanied by **transit fare strategies** that outline specific actions and decisions that support the identified fare policy principles and goals.

Strategies typically fall into two interrelated categories; **fare strategies** and **collection strategies**. Fare strategies and collection strategies can be approached independently, however, best practice is that they be considered simultaneously given their interdependencies.

For example, a fare strategy may identify a preferred fare product for customers, but only if the collection system has fare media that can support the distribution of the product. The diagram below highlights the components that might be included in fare strategies and collection strategies. This Statewide Fare Guidelines Toolkit focuses on fare strategies.

**DIAGRAM A: Components to a Transit Fare Policy**



Fare strategies can typically be grouped into six categories:

- 1 Fare Structure** - Framework for how trips are to be priced. Common fare structures include flat, service-based (typically a higher-priced flat fare for longer-distance trips), zone-based, station-to-station pricing (a version of a distance-based structure), and true distance-based pricing.
- 2 Customer Categories** - Sometimes referred to as rider categories, or concession categories, they allow agencies to segment the market and provide targeted pricing/discounts to specific populations. Some customer-category reduced-fare discounts are required to meet federal funding eligibility. Categories may include full fare, senior, person with a disability, Medicare recipient, child, youth, veteran, and active military/personnel in uniform, among others. Some agencies may also include means-based eligible customers (e.g., a low-income fare discount) as a distinct customer category, whereas other agencies manage means-based customers through unique fare programs (discussed below).
- 3 Fare Products** - Different options for accessing a transit system, typically differentiated by the amount of time or number of trips that they allow the customer to travel. Typical fare products include single rides, multi-ride tickets, hourly passes (e.g., a 2-hour pass), day pass, weekly/7-day pass, and monthly/31-day pass. Fare capping—whereby customers pay for individual trips up to a specific value spent or trips taken and are then “capped” and travel for free for the remainder of a specific time period—are typically discussed as a form of fare product.
- 4 Fare Pricing** - The amount paid for a given fare product, providing access to a transit system. Pricing can include the base fare for a single ride or hourly pass, the pricing and bundling increments of multi-day fare products (e.g., a 3-day pass or a 10-ride ticket), and the level of discount offered to specific categories of customers.
- 5 Transfers** - Transfer rules define how customers are allowed to transfer between services within an agency (intra-agency transfer) and between agencies (inter-agency transfer) to complete a trip. Examples of intra-agency transfers include LA Metro bus-to-bus and bus-to-subway transfers. An example of an inter-agency transfer in the Bay area would be a trip beginning on SFMTA light rail and transferring to BART rail. Characteristics of transfers that agencies consider are whether the transfer is paid (and the transfer price) or free, and for what time period or number of boardings a transfer is eligible for.
- 6 Fare Programs** - Specialized fare offerings, often tailored to affiliation-based customer groups, that usually include specific eligibility criteria and enrollment. These often include employer programs, post-secondary educational institution programs, means-based fare programs (e.g., low-income fare program, social service/non-profit provider programs). Zero-fare/free-fare programs may be included in this category.

This toolkit document provides recommendations for each of these six categories of fare strategies. Each toolkit includes recommended/default policies and optional policies that agencies should only consider in specific circumstances. There are a number of fare policies that typically add complexity to the customer experience and/or the fare collection system, and as such, agencies are discouraged from choosing these policies where possible. A summary of major categories of discouraged policies is listed in Table B.

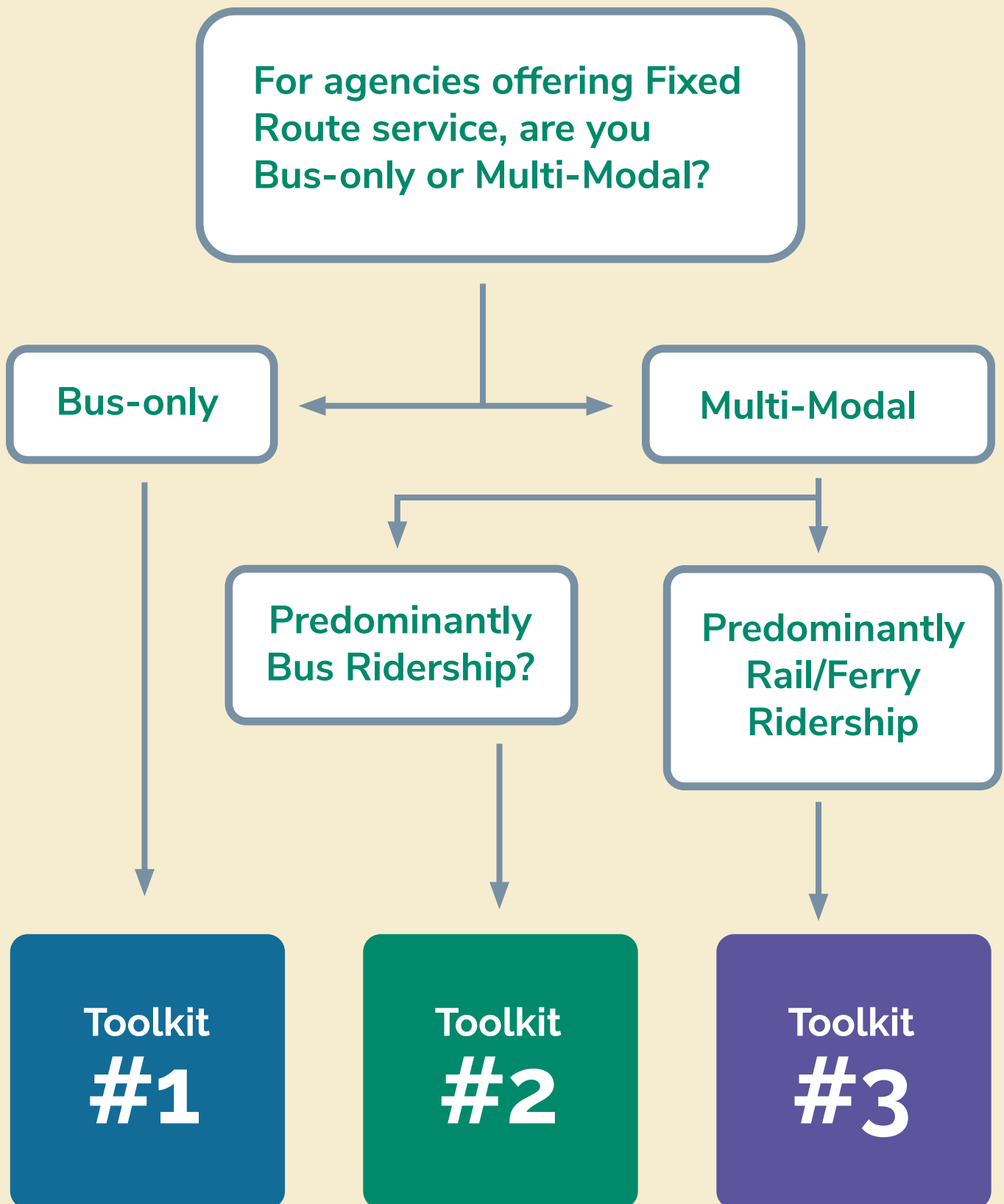
**TABLE B: Discouraged Fare Strategies and Policies**

Fare Strategy Category	Discouraged Policies	Reasons Discouraged
<b>Fare Structure</b>	<ul style="list-style-type: none"> <li>• Zone-based</li> <li>• Time of day</li> <li>• Yield management</li> </ul>	<ul style="list-style-type: none"> <li>• Adds complexity to the fare collection system (especially with respect to inter-agency regional travel) and increases customer confusion</li> <li>• Introduces inequity, as lower-income customers may not be able to modify travel plans to travel during lower-priced periods or across lower-priced zones</li> </ul>
<b>Customer Category</b>	<ul style="list-style-type: none"> <li>• Non-conforming age-based definitions</li> <li>• Height-based definitions for children/youth</li> </ul>	<ul style="list-style-type: none"> <li>• Works against regional, statewide simplification</li> <li>• Places discretion/enforcement decision on operators, which is generally beyond their scope of work</li> <li>• Introduces inequities for tall children/youth</li> </ul>
<b>Fare Products</b>	<ul style="list-style-type: none"> <li>• Pre-purchased, time-based passes</li> <li>• Multi-ride tickets/passes</li> </ul>	<ul style="list-style-type: none"> <li>• Raises equity concerns, as these passes require customers to pay the full amount upfront. They reward customers with discounts for upfront payment, rather than loyalty/frequency of travel</li> <li>• Multi-ride tickets are incompatible with some types of electronic fare collection systems</li> <li>• Recommend moving to time-based or ride-based caps where appropriate</li> </ul>
<b>Transfers</b>	<ul style="list-style-type: none"> <li>• Route-specific transfers</li> <li>• Direction-specific transfers</li> <li>• Transfers requiring physical proof of travel on a prior agency</li> <li>• Transfers requiring visual validation by vehicle operators</li> </ul>	<ul style="list-style-type: none"> <li>• Increases customer confusion</li> <li>• Increases fare collection system complexity, increasing cost</li> <li>• Works against regional, statewide simplification</li> </ul>

# Selecting the Appropriate Fare Guidelines Toolkit

**Three toolkits have been developed, reflecting the different characteristics of individual agencies: geographic context, modes, and services provided. The decision-tree diagram below can be used to select the most appropriate toolkit for your agency.**

**DIAGRAM C: Statewide Fare Guideline  
Toolkit Selection Decision Tree**





# Bus-Only Agencies

**Toolkit #1 provides recommendations to fixed-route, bus-only agencies. In this context, bus-only refers to standard bus, express/commuter/regional/transbay bus, and Bus Rapid Transit (BRT) services. The majority of agencies operating fixed-route service in California will reference Toolkit #1. Agencies that are envisioned to fall into this category range from large, bus-only agencies in urban areas to smaller, municipal, county, rural, and tribal agencies.**

## Fare Structure

- **Local, flat-fare structure (default)**
- **Service-based structure (additional, at agency discretion)**

Service-based fares are typically higher-priced flat fares for specific services with greater customer benefits (e.g.,: longer distance, limited stop, direct routing, premium destination). These services are often marketed as Express, Commuter, Regional, or Transbay services. Based on prior Cal-ITP analysis, approximately 25% of bus-only agencies offer at least one service/route with a service-based structure. Ideally, a service-based structure is applied to specific routes. Service-based fares may be more appropriate for agencies:

- Classified as Rural Reporters within the National Transit Database (NTD), and/or
- Operating within a service area of approximately 200 square miles or larger, and/or
- Providing longer-distance service(s) connecting a smaller municipality/location to a larger regional center

## Customer Categories, Products & Pricing

Within bus-only agencies, a fundamental decision is whether to offer a Single Ride fare (with no transfer privileges within the agency), or to offer a Short-Term Period Product (such as a 2-hour pass, allowing unlimited travel on similarly priced services within the agency). An agency's size, geographic context, and network design will help determine which is most appropriate. Within a multi-agency region, it is preferable to have all agencies choose the same product. The table below provides some context for when each type of product may be more appropriate, but local context and needs will ultimately dictate product choice.



**TABLE 1-1: When to Choose a Single Ride vs. Short-Term Period Product**

Product	Single Ride	Short-Term Period Product
<b>Validity</b>	Pay for each boarding	Unlimited travel within a 90-minute to 180-minute period
<b>Characteristics</b>	Agency operates in an area where they are the only agency, or operate in a multi-agency area with 1 other agency	Agency operates in a multi-agency area with 2+ other agencies
	Network design, prioritizing point-to-point travel (i.e., few transit hubs/centers, few intersecting routes)	Network design, prioritizing network simplicity and frequency (i.e., more transit hubs/centers, more intersecting routes)

The guidelines make the following customer category, fare product, and pricing recommendations.

**TABLE 1-2: Customer Definitions, Fare Products, and Pricing for Flat Fares**

Fixed Route	Flat Fares						
	Short Period Products	OR	Single Rides	Daily Cap	Weekly / 7-Day Cap	OR	Monthly Cap
	90- to 180-minute validity (120 minutes recommended)		Single Boarding	Service Day	Mon-Sun, or Rolling 7-Day Period	Calendar Month or Rolling 31-Day Period	
<b>Full Fare</b> - Adult, 19-64	Base Fare			2 - 3 times the Base Fare	8 - 10 times the Base Fare	30 - 36 times the Base Fare	
<b>Reduced Fare</b> - Senior (65+) / Disabled / Medicare - Youth (13-18)*	0.5 times the Base Fare			1.0 - 1.5 times the Base Fare	3 - 5 times the Base Fare	11 - 18 times the Base Fare	
<b>Free</b> - Child (0-12) - Youth (13-18) - Paratransit-eligible (on Fixed Route)	Free						

**TABLE 1-3: Customer Definitions, Fare Products, and Pricing for Service-Based Fares**

Fixed Route	Service-Based Fares (Additional, Discretionary)					
	Short Period Products	OR	Single Rides	Weekly / 7-Day Cap	OR	Monthly Cap
	90- to 180-minute validity  (120 minutes recommended)		Single Boarding	Mon-Sun, or Rolling 7-Day Period		Calendar Month or Rolling 31-Day Period
<b>Full Fare</b> - Adult, 19-64	Service-based Fare			7 - 9 times the Service-based Fare		28 - 32 times the Service-based Fare
<b>Reduced Fare</b> - Senior (65+) / Disabled / Medicare  - Youth (13-18)*	0.5 times the Service-based Fare			2.5 - 4.5 times the Service-based Fare		10 - 16 times the Service-based Fare
<b>Free</b> - Child (0-12)  - Youth (13-18)*  - Paratransit-eligible (on Fixed Route)	Free					

\* There is growing interest in Zero Fare programs for Youth customers. Depending on agency preferences, Youth may be charged a Reduced fare or receive free travel.

**TABLE 1-4: Customer Definitions, Fare Products and Pricing for Paratransit Fares**

Paratransit	Single Ride
	Single Ride, Origin to Destination
<b>Complementary Paratransit Fare</b> - Paratransit-eligible (on Paratransit)	1 - 2 times the Base Fare
<b>Non-ADA Paratransit Fare</b> - Paratransit-eligible (on Paratransit)	2 - 4 times the Base Fare
<b>Free</b> - Personal Care Attendants (on Paratransit)	Free

# Transfers

The recommended approach to transfers depends upon whether an agency has selected a Single Ride product or a Short-Term Period product. Table 1-5 summarizes the intra-agency and inter-agency transfer recommendations. In multi-agency

geographies, regardless of the product selected, it is recommended that agencies establish bi-lateral or multi-agency transfer policies and/or regional fare caps, and a bi-lateral or multi-agency revenue sharing agreement.

TABLE 1-5: Intra-Agency and Inter-Agency Transfer Recommendations.

Product	Single Ride	OR	Short-Term Period Product
<b>Intra-Agency Transfers</b>	No intra-agency transfers are provided; customers pay for each boarding		Customers pay for the highest-price leg of a multi-leg, intra-agency trip within the validity period
<b>Inter-Agency Transfers</b>	Customers pay for each boarding on all agencies		Customers pay for the highest-price leg of a multi-leg, inter-agency trip within the validity period
<b>Agency Agreements</b>	Agencies should work toward bi-lateral or multi-agency regional fare caps, and should establish a revenue sharing agreement for when customers reach/ exceed the fare caps		Agencies should work toward bi-lateral or multi-agency transfer policies, and should establish a revenue share agreement for when transfer credits are offered

# Optional Fare Strategies

Optional fare strategies that bus-only agencies may want to consider include:

- Additional Customer Categories (such as Veteran, Transit Employees) should only be considered if they support a significant customer market or fulfill an operational need.
- Consideration of a Means-Based/Low-Income Customer Category is best approached through discussions with other agency partners across the region, to ensure that all agencies recognize the impacts of offering this discount and work toward consistent eligibility criteria, pricing, etc.
- Third-Party Funded Fare Programs (such as Employer Programs, Post-Secondary Education Institution Programs) should only be considered if they support a significant customer market and if the needs of the customer group cannot be met with other tools.
- Special Fare Products (e.g., weekend pass, family pass, group travel, etc.) should only be considered if they have been validated as supporting a significant customer market, and if the needs of the customer group(s) cannot be met with other tools.



# Multi-Modal Agencies with Substantial Bus Network

**Toolkit #2 provides recommendations to fixed-route, multi-modal agencies with a sizable portion of their ridership coming from the bus portion of their network. In this context, bus refers to standard bus, commuter/express/transbay bus and Bus Rapid Transit (BRT) services. Agencies using this toolkit likely have a strong bus network with accompanying light rail, streetcar, and/or heavy rail/subway service. Toolkit #2 applies to a relatively small number of large agencies operating in urban areas in California, many of whom have comprehensive fare policies and in-house policy teams.**

## Fare Structure

- Local, Flat fare structure (default)
- Service-based structure (additional, at agency discretion)

Service-based fares are typically higher priced, flat fares for specific services with greater customer benefits (e.g., longer distance, limited stop, direct routing, premium destination). These services are often marketed as Express, Commuter, Regional, or Transbay services. Ideally, a service-based structure is applied to specific routes.

## Customer Categories, Products & Pricing

The guidelines make the following customer category, fare product, and pricing recommendations.



**TABLE 2-1: Customer Definitions, Fare Products, and Pricing for Flat Fares**

	Service-Based Fares (Additional, Discretionary)				
	Short Period Products	Daily Cap	Weekly / 7-Day Cap	OR	Monthly Cap
<b>Fixed Route</b>	90- to 180-minute validity (120 minutes recommended)	Service Day	Mon-Sun, or Rolling 7-Day Period		Calendar Month or Rolling 31-Day Period
<b>Full Fare</b> - Adult, 19-64	Service-based Fare	2 - 3 times the Base Fare	7 - 9 times the Service-based Fare		28 - 32 times the Service-based Fare
<b>Reduced Fare</b> - Senior (65+) / Disabled / Medicare - Youth (13-18)*	0.5 times the Service-based Fare	1.0 - 1.5 times the Base Fare	2.5 - 4.5 times the Service-based Fare		10 - 16 times the Service-based Fare
<b>Free</b> - Child (0-12) - Youth (13-18)* - Paratransit-eligible (on Fixed Route)	Free				

\* There is growing interest in Zero Fare programs for Youth customers. Depending on agency preferences, Youth may be charged a Reduced fare or receive free travel.

**TABLE 2-2: Customer Definitions, Fare Products, and Pricing for Service-Based Fares**

Fixed Route	Service-Based Fares (Additional, Discretionary)			
	Short Period Products	Weekly / 7-Day Cap	OR	Monthly Cap
	90- to 180-minute validity (120 minutes recommended)	Mon-Sun, or Rolling		Calendar Month or Rolling 31-Day Period
<b>Full Fare</b> - Adult, 19-64	Service-based Fare	7 - 9 times the Service-based Fare		28 - 32 times the Service-based Fare
<b>Reduced Fare</b> - Senior (65+) / Disabled / Medicare - Youth (13-18)*	0.5 times the Service-based Fare	2.5 - 4.5 times the Service-based Fare		10 - 16 times the Service-based Fare
<b>Free</b> - Child (0-12) - Youth (13-18)* - Paratransit-eligible (on Fixed Route)	Free			

\* There is growing interest in Zero Fare programs for Youth customers. Depending on agency preferences, Youth may be charged a Reduced fare or receive free travel.

**TABLE 2-3: Customer Definitions, Fare Products, and Pricing for Paratransit Fares**

Paratransit	Single Ride
	Single Ride, Origin to Destination
<b>Complementary Paratransit Fare</b> - Paratransit-eligible (on Paratransit)	1 - 2 times the Base Fare
<b>Non-ADA Paratransit Fare</b> - Paratransit-eligible (on Paratransit)	2 - 4 times the Base Fare
<b>Free</b> - PCA (on Paratransit)	Free

## Transfers

The recommended approach to transfers, both intra-agency and inter-agency, is that customers pay for the highest-price leg of a multi-leg trip within the validity period. Some examples of this recommendation include:

- Transfer from Agency A bus (\$2.50) to Agency A rail (\$2.50) within the transfer period = Total intra-agency fare is \$2.50
- Transfer from Agency A bus (\$2.50) to Agency A commuter bus (\$6.00) within the transfer period = Total intra-agency fare is \$6.00 (value of the highest-priced leg of the trip)

- Transfer from Agency A bus (\$2.50) to Agency B rail (\$7.00) within the transfer period = Total inter-agency fare is \$7.00 (value of the highest-priced leg of the trip)

It is recommended that agencies establish multi-agency transfer policies and/or regional fare caps, and a multi-agency revenue share agreement. Ideally, all agencies operating within a region will adopt consistent transfer policies, regional fare caps, and revenue share agreements.

## Optional Fare Strategies

**Optional fare strategies that multi-modal agencies may want to consider include:**

- Additional Customer Categories (such as Veteran, Transit Employees) should only be considered if they support a significant customer market or fulfill a critical operational need.
- Third-Party Funded Fare Programs (such as Employer Programs, Post-Secondary Education Institution Programs) should only be considered if they support a significant customer market and if the needs of the customer group cannot be met with other tools. Ideally, the program design would allow customers to travel on all agencies within a region, with third-party pricing designed to appropriately compensate participating agencies.
- Depending on agency partnerships, some agencies may opt to offer pre-purchased, short-term products (e.g., time-based short-period product, service-day pass) on low-cost media for social service agencies and/or non-profit organizations. These products are typically purchased by organizations and distributed at no charge/nominal cost to their customers/clients for immediate travel needs. This approach and use of limited-use products is typically offered by agencies in lieu of a means-based/low-income fare program, or to supplement means-based/low-income fare programs with shorter-period products.
- Customer Benefits/Rewards Programs reward customers for frequent travel by earning points that can be redeemed for benefits, free trips. These programs can also be designed to support agencies looking to replace products like multi-ride tickets.
- Special Fare Products (e.g., weekend pass, family pass, group travel, etc.) should only be considered if they have been validated as supporting a significant customer market and if the needs of the customer group(s) cannot be met with other tools.



# Multi-Modal Agencies with Substantial Rail/Ferry Network

**Toolkit #3 provides recommendations to fixed-route, multi-modal agencies with a sizable portion of their ridership coming from rail and/or ferry modes. Agencies using this toolkit likely operate rail and/or ferry service, and may have accompanying commuter bus service. In some limited cases, agencies operating a network of commuter bus services may find this toolkit helpful. Nearly all agencies using this Toolkit can be described as providing 'regional' or 'inter-regional' service. Toolkit #3 applies to approximately a dozen agencies across the state of California, including State-supported Amtrak routes and thruway services.**

## Fare Structure

- Station-to-station / point-to-point structure

Station-to-station, or point-to-point fare structures generally have a unique price for each origin-destination pair on a system. These fares typically consist of a fixed fee, which represents the base fare, and a fixed price per mile fee (the mileage fee) that is measured by the distance traveled along the transit service route. The base fare may also have a minimum threshold, ensuring a set fare regardless of travel distance.

## Customer Categories, Products & Pricing

The guidelines make the following customer category and pricing recommendations.



**TABLE 3-1: Customer Definitions and Pricing for Agencies Statewide**

Customer Categories	Pricing
<b>Full Fare</b> - Adult 19-54	Full Fare
<b>Reduced Fare</b> - Senior (65+) / Disabled / Medicare, Youth (13-18)*, Means-based	Reduced Fare (50% Discount)
<b>Free</b> - Child (0-12), Youth (13-18)*, Paratransit-eligible (on Fixed Route), PCA (on Paratransit)	Free
<b>Complementary Paratransit Fare</b> - Paratransit-eligible (on Paratransit)	Paratransit Fare

\* There is growing interest in Zero Fare programs for Youth customers. Depending on agency preferences, Youth may be charged a Reduced fare or receive free travel.

## Fare Products

For ‘regional’ and ‘inter-regional’ agencies providing predominantly rail, ferry, and/or commuter bus services, the recommendation is that the default product that agencies offer be a Single Ride fare that provides travel from origin to destination, without transfers. Transfers should not be confused with internal interchanges (typically crossing a rail platform) which facilitate travel from origin to destination and should be allowed. For example, BART allows customers to cross the platform at Pittsburgh/Bay Point Station

to change trains and continue from their origin to destination. Similarly, a customer traveling from Baldwin Park to Irvine on Metrolink rail will take a train from Baldwin Park to LA Union, interchange at LA Union and travel south to Irvine but will pay the applicable fare from Baldwin Park to Irvine.

Exact pricing for each service will be dependent upon fare structure, network size, and customer transfer behavior.

**TABLE 3-2: Fare Product Recommendations for “Regional” and “Inter-Regional” Agencies**

Product	Validity	Pricing
<b>Single Ride Product</b>	Single ride, from Origin to Destination	Point-to-point, dependent upon the base fare and the distance traveled along the transit service route between the origin-destination pairs
<b>Weekly / 7-Day Cap</b>	Mon-Sun, or Rolling	Capping is applied after a specified number of rides, regardless of the total fare value accumulated.
<b>Monthly Cap</b>	Calendar Month	Capping is applied after a specified number of rides, regardless of the total fare value accumulated.

## Transfers

For “Regional” / “Inter-Regional” agencies using Toolkit #3, the recommendation for intra-agency transfers is that a single ride fare allows a customer to travel from their origin to destination. This may or may not require an interchange within the agency network, but should not allow customers to exit the system and re-enter on the same fare.

For inter-agency transfers, the recommended approach is that customers pay for the highest price leg of a multi-leg trip within a maximum regional trip time limit. The maximum regional trip time limit ensures that multi-agency travel credits are not provided for excessively lengthy trips. An example of this recommendation is listed here:

- Agency A is a “regional” agency providing rail service using a station-to-station fare structure. Agency B is an “inter-regional” agency providing rail service using a station-to-station fare structure. Both agencies have agreed that a reasonable

maximum regional trip time limit to complete travel is 3-hours. A customer beginning on Agency A travels 2 stations and pays \$4.50. The customer transfers to Agency B and travels a further 6 stations. The customer completes the trip in under 3 hours. The posted price of the trip on Agency B in isolation is \$13.50. According to the recommended transfer policy, the customer would pay an additional \$9.00 for travel on Agency B. The customer’s total fare is \$13.50, equal to the value of the highest priced leg of the multi-agency trip. If the customer had taken more than 3 hours to complete the trip, they would have paid both fares, totaling \$18.00.

It is recommended that agencies establish multi-agency transfer policies and/or regional fare caps, and a multi-agency revenue share agreement. Ideally, all agencies operating within a region will adopt consistent transfer policies, regional fare caps and revenue share agreements.



## Optional Fare Strategies

**Optional fare strategies that multi-modal agencies may want to consider include:**

- Additional Customer Categories (such as Veteran, Transit Employees) should only be considered if they support a significant customer market or fulfill a critical operational need.
- Third-Party Funded Fare Programs (such as Employer Programs, Post-Secondary Education Institution Programs) should only be considered if they support a significant customer market, and the needs of the customer group cannot be met with other tools. Ideally, the program design would allow customers to travel on all agencies within a region, with third-party pricing designed to appropriately compensate participating agencies.
- Depending on agency partnerships, some agencies may opt to offer pre-purchased, short-term products (e.g., single ride, service-day pass) on low-cost media for social service agencies and/or non-profit organizations. These products are typically purchased by organizations and distributed at no charge/nominal cost to their customers/clients for immediate travel needs. This approach and use of limited-use products is typically offered by agencies in lieu of a means-based/low-income fare program, or to supplement means-based/low-income fare programs with shorter-period products.
- Customer Benefits/Rewards Programs reward customers for frequent travel by earning points that can be redeemed for benefits, free trips. These programs can also be designed to support agencies looking to replace products like multi-ride tickets.
- Special Fare Products (e.g., weekend pass, family pass, group travel, etc.) should only be considered if they have been validated as supporting a significant customer market, and the needs of the customer group(s) cannot be met with other tools.



**Questions or comments?**

**hello@calitp.org**  
**calitp.org**



