AMADOR TRANSIT (AT) MINUTES
November 6, 2025 – 11:03 a.m.
ACTC Board Room-117 Valley View Way Sutter Creek, CA 95685

The Amador Transit Board of Directors met on the above date, and the following proceedings were had, to wit:

Present on Roll Call:
Patrick Crew - Board of Supervisors, Chairman
Dan Riordan - City of Sutter Creek, Vice Chairman
John Plasse - Citizen at Large
Brian Oneto - Board of Supervisors
Sandy Staples - City of Amador City
Wendy Bottomley - City of Plymouth

Absent: None

Also Present:
April Miller, Amador Transit, Mobility Manager/Interim General Manager
John Gedney, ACTC Executive Director
Felicia Bridges, ACTC Transportation Planner
Caitlin Kleven, ACTC Administrative Assistant

AGENDA:

Motion: It was moved by Director Staples, seconded by Director Bottomley, and carried unanimously to approve the agenda as submitted.

Ayes:	Bottomley, Oneto, Plasse, Riordan, Staples, Crew
Noes:	None
Absent:	None

PUBLIC MATTERS NOT ON THE AGENDA: None

CONSENT AGENDA (Items 1-7):

#1. Board Minutes, October 2025: Director Plasse noted a minor wording correction to the minutes. On page two (2), in the third paragraph the sentence should read "She explained that since DAR often has a higher ***Passenger-to-Mile*** ratio, using passenger numbers did not provide a fair comparison to fixed routes"

#6. Budget/Statement of Net Position Report, October 2025: Director Plasse recalled that during the previous month's meeting, Ms. Miller had indicated she would investigate certain financial items and report back to the board. He asked if she had obtained any information on those matters. Ms. Miller responded that some of the items were discussed the previous day in a meeting with the Certified Public Accountant (CPA), audit consultants, the finance committee, AT and ACTC staff. She explained that the negative number appearing in the budget is due to three (3) separate loans that were taken. Director Plasse inquired whether the issue was related to how the accountant was recording the transactions, specifically not as loans to an entity. Ms. Miller stated that she is uncertain how to properly book the transactions so that they appear accurately in the budget versus actual report. She noted that in QuickBooks, revenue entries are recorded as deposits; however, since the transactions in question are internal transfers between accounts rather than deposits, they do not display as income. Ms. Miller stated that she will continue working with the accountant to determine the best method to record these items without impacting other accounts.

Mr. Gedney provided clarification that the topic had been discussed in detail at the meeting held the previous day. He explained that the funds in question are not transferred from reserves into the current fiscal year's operating budget and therefore cannot be booked within the current fiscal year's accounts. Both Ms. Miller and Director Plasse stated that they did not fully understand his explanation and requested further clarification. Mr. Gedney elaborated that since he has served as ACTC Executive Director, each annual audit has shown approximately $200,000 being taken from reserves to cover operating shortfalls. About seven (7) years ago, the former General Manager (GM), Maggie Amarants, was asked to move those funds out of the operating reserves and place them into three (3) capital accounts—Equipment, Building, and Fleet—which she did. Around that same time, a new policy was informally established requiring that any transfer of reserve funds into capital accounts be presented to the board for approval; however, the policy was never formally documented or adopted. Mr. Gedney noted that while the former GM had acknowledged this policy, it was not followed. He characterized the practice as resembling a "rolling pyramid scheme" connected to the Local Transportation Fund (LTF) and State Transit Assistance fund (STA) funds. The LTF, authorized annually, receives approximately $700,000 and appears in the audit, while additional funds used to offset prior-year operating shortfalls originate from an STA-funded "slush account." Director Plasse asked whether the additional amount shown in the budget was intended to cover the prior year's operations. Mr. Gedney clarified that it does not appear in the budget but rather in the audit, further noting that Amador Transit has never presented an amended budget to the board for review. He added that this issue was disclosed the previous spring during an audit meeting with Auditor Ms. Sheipline, CPA Ms. Castillo, and former GM Ms. Amarants, where it was confirmed that Ms. Castillo had been calculating the extra LTF or STA amounts needed to reconcile the prior year's budget and sending those figures directly to Ms. Sheipline. Mr. Gedney emphasized that this practice has been ongoing throughout his tenure as Executive Director and has been carried out without board approval.

Vice-Chairman Riordan requested clarification regarding the issue, noting that Item five (5) on the agenda—the Transfers Report for the fiscal year to date—reflects a total of $300,000. He asked if this was the item under discussion concerning proper accounting procedures. Both Mr. Gedney and Ms. Miller confirmed that it was. Vice-Chairman Riordan then stated that these funds were deposited into Amador Transit's bank account this year for covering operating costs, to which Ms. Miller agreed. Mr. Gedney, however, clarified that the funds were not technically "deposited." Instead, the money already existed within the accounting system and was simply moved internally from one account to the other. He explained that the funds originated in reserves and now need to be properly accounted for. Vice-Chairman Riordan remarked that checks must have been written to complete the transfers, but Mr. Gedney asserted that no checks were issued. Ms. Miller added that the process occurs entirely within the bank's internal accounts. She explained that AT maintains three separate accounts, and each time she brings a request for a transfer before the board and receives approval, she moves the approved amount from the reserve account into the operating account. She also noted that the transfer is recorded within the financial software. Director Plasse asked for confirmation that the accounts are indeed separate, and Ms. Miller affirmed that they are. He then clarified that the transfer process involves moving funds out of one account (savings/reserve) and into another (operating), which Ms. Miller confirmed is the procedure followed each time funds are transferred during this fiscal year. Director Plasse asked further if the issue is that these transactions are not appearing in the books as prepared by the CPA, Ms. Castillo. Ms. Miller confirmed that the transfers are not reflected in the budget.

Mr. Gedney stated that, for follow-up purposes, the central question is where those financial transactions are being recorded—whether in the current fiscal year or the prior fiscal year. He noted that Ms. Miller had confirmed that the transactions were not reflected in either the current or previous fiscal year's books. Mr. Gedney added that the same question had been posed to the CPA, Ms. Castillo, during the meeting held the previous day. According to Ms. Castillo, the funds in question are being held in a journal entry categorized as a "cash flow statement." He explained that this entry serves as a placeholder throughout the fiscal year and is later provided to the auditor to reconcile the budget at the end of the fiscal year.

Director Plasse again asked Mr. Gedney to clarify his statement regarding whether the funds in question were intended to reconcile the prior year's budget rather than being part of the current year's budget. He suggested that Mr. Gedney may be using the terms "last year" or "prior year" in a way that overlooks that the adjustment is typically made at the end of the current fiscal year. Mr. Gedney explained that the adjustments are actually being made two (2) days after the close of the fiscal year. He referenced the FY 2023/24 fiscal audit was done and reviewed by the board, ACTC, noted that the same types of transfers—approximately $200,000—were made. In early July of 2024 those same transactions occurred to cover shortfalls from two years prior. He remarked that this recurring practice resembles a "pyramid scheme," primarily involving the STA "slush fund."

Mr. Gedney stated that this process had been used by two prior General Managers of AT, with Ms. Meyer having advised Ms. Amarants to place such funds into a separate off-the-books "slush" or reserve account. He explained that only in recent years had ACTC required AT to formally list this account as a line item on the income statement, revealing that the reserve funds had been steadily depleted. When Director Plasse countered that the reserve accounts appeared to be building up, Mr. Gedney corrected him, explaining that reserves had actually declined from roughly $1 million five (5) years ago to about $300,000 currently. He further detailed that AT receives approximately $400,000 annually in STA funding, of which about half remains in reserves while the other half is used to cover operating shortfalls.

Mr. Gedney emphasized that the board has never been presented with an amended budget, which Director Plasse acknowledged. He added that while the board has not seen these recurring additional expenditures, ACTC has observed and flagged them during annual audits. Director Plasse pointed out that these amounts appear in the audit as "Unearned Revenue," and Mr. Gedney agreed, though Director Plasse noted that the terminology should be simplified so all board members can easily understand it—suggesting "transfers from reserves" as clearer phrasing.

Director Plasse also asserted that future audits must be conducted with full transparency, emphasizing that the audit firm will receive all information it requests directly rather than selectively through the accountant. Mr. Gedney reported that during the previous day's meeting, the CPA acknowledged that this long-standing practice has occurred and agreed that presenting an amended budget to the board is a "reasonable" expectation. He explained that such a budget would clearly show where expenditure overages occur, such as in fuel or tires, allowing for more accurate "budget vs. actual" comparisons. He noted that ACTC regularly provides its board with these reports, whereas AT does not. Director Plasse clarified that AT does provide monthly "budget vs. actual" reports, to which Mr. Gedney responded that there has not been an annual reconciliation; Ms. Miller had stated she provides monthly reports, but he wishes to see an annual summary showing exactly where the $200,000 in transfers originated.

Mr. Gedney stated that after reviewing 56 transfers from the prior fiscal year, he found that significant amounts were never returned to the reserve account, despite being referred to as "loans." While some were legitimate—such as for the purchase of a bus—many were never repaid, contributing to the ongoing depletion of reserves. He concluded that since the CPA has now admitted that these transfers were not properly booked in the current fiscal year, there is no need for further investigation into the matter, and he looks forward to greater financial transparency moving forward.

Director Staples commented that her jurisdiction, Amador City, has experienced a similar situation and discovered that part of the issue was related to software limitations. She explained that when journal entries are made to transfer funds, those transactions often do not appear on the monthly budget statements but are visible when the auditor reviews the books. She clarified that this is not a matter of "hiding" money, but rather an issue of how financial documentation is presented. The auditor can see the transactions, though they may not be readily visible in standard reports available to everyone. Director Staples further noted that the board typically approves a draft budget, which can be updated at any time as needed. Ms. Miller agreed with Mr. Gedney's earlier comments and stated that a request for an amended budget will be brought before the board prior to submission to the auditor.

Director Plasse stated that while bringing an amended budget before the board after the fact is acceptable, he would prefer that such information be made available in real time. He emphasized that when the board is asked to approve a transfer from reserves, an amended budget should be presented simultaneously to provide full context and transparency. He noted that under prior GM's, transfers were often characterized as loans that were never repaid. Ms. Miller clarified that while some of those transfers were not repaid, many were. Mr. Gedney concurred with Director Plasse, adding that the CPA, Ms. Castillo, is not required to hold the funds but can instead record them in the prior fiscal year and immediately prepare an amended budget for presentation. He recommended that the board consider making a motion to proceed in that manner.

Ms. Miller expressed confusion to Mr. Gedney regarding his reference to the term "prior year." Director Staples clarified that his statement was correct, explaining that the budget is reconciled at the end of the fiscal year. She noted that the funds exist within the books—whether in capital improvement or other accounts—but are not reconciled until year-end. The "loan," she explained, is not formally reconciled between accounts until that time. Ms. Miller stated that the "loan" transaction occurred during the current fiscal year, to which Mr. Gedney agreed but clarified that it functions as a "loan" to cover the prior year. He added that the board could resolve the matter by making a motion directing staff to prepare an amended budget for the previous fiscal year, which would address the issue.

Vice-Chairman Riordan asked for clarification regarding whether the $300,000 in transfers was reflected in the Budget vs. Actual and Statement of Net Position reports included in the board packet. Mr. Gedney confirmed that it was not. Ms. Miller, however, countered that it was included. Vice-Chairman Riordan then asked that if the funds were indeed included in those reports, Ms. Miller identify the line item where they appeared. Ms. Miller explained that the Statement of Net Position only reflects the current month, so the transfer would not appear in that report. She noted that if one looks back to the month when the transfer occurred, it would be visible there, and added that without that transfer, the operating account would have shown a negative balance.

Mr. Gedney pointed out that there is still a negative number showing in the operating account and clarified that the Statement of Net Position differs from a Profit & Loss (P&L) statement, as it consolidates all assets rather than detailing their allocation. He explained that while the $300,000 does appear in the Statement of Net Position, it represents prior year shortfalls that must still be reconciled. Although the funds remain in the bank account, he emphasized that they are not available for current-year operating expenses because they are needed to cover those prior shortfalls. Vice-Chairman Riordan agreed, stating that this supports the conclusion that the funds are not reflected in the annual Budget vs. Actual report. Mr. Gedney concurred, noting that this is why the CPA, Ms. Castillo, cannot include them in the current fiscal year's budget, as doing so would constitute a serious accounting error. He added that Ms. Castillo should have instead presented a reconciled amended budget to the board for review.

Vice-Chairman Riordan stated that the key issue for the board to consider is whether to direct staff to include the $300,000 transfer in the Budget vs. Actual report, at least on a quarterly basis, so that the board can stay informed and up to date on financial accounting. Mr. Gedney disagreed, stating that he believes it should instead be handled as a one-time annual budget reconciliation. He explained that the CPA, Ms. Castillo, already has sufficient QuickBooks data from the prior fiscal year to determine exactly how much funding needs to be drawn from the STA "slush fund" to cover the previous year's shortfalls. Vice-Chairman Riordan observed that the figure might not necessarily be $300,000, to which Mr. Gedney responded that it would likely be closer to $200,000. Ms. Miller added that the amount is approximately $140,000, representing the portion that was not repaid last year. Mr. Gedney concluded that while the funds' location is known, the problem is that this information has not been reported to the board, leaving members uninformed about the true financial status.

Mr. Gedney stated that the board should be presented with both the approved budget and the reconciled budget to allow for a side-by-side comparison and greater transparency. Chairman Crew agreed with Director Plasse's earlier comments, noting that having access to the budget in real time would be far more useful for forecasting purposes rather than reviewing it only after the fact. He explained that the board already receives monthly expenditure reports—such as for insurance—and that being able to compare current budget progress helps identify issues, like when insurance costs appear at 85% of their budget but are actually due to the annual premium having just been paid.

Director Plasse agreed, emphasizing that there are two primary ways to address financial shortfalls: either by increasing agency revenues or by reducing expenses. He stated that it is essential for the board to understand which course of action is most appropriate to correct the issue. If additional revenue cannot be secured, he concluded, then reducing expenditures becomes the logical next step.

Mr. Gedney explained that it had been assumed the revenue cap had been reached with the LTF allocations; however, the STA funds had not been factored into that calculation. He noted that the STA provides approximately $400,000 annually, though the disbursement often arrives late. While STA funds generally carry fewer restrictions—primarily requiring that they be used for capital purposes—there remains flexibility for a portion to be applied toward operations. He emphasized that the LTF has stricter allocation requirements, and if the agency intends to adopt a more fiscally conservative approach to managing expenses, careful oversight of how STA funds are used and allocated will be essential.

Director Plasse added that STA funds are projected each year based on the anticipated disbursement and are incorporated on the income side of the agency's budget. Director Staples observed that the STA funds do not appear in the current monthly statement, to which Director Plasse agreed, explaining that this is because the funds have not yet been received.

Mr. Gedney explained that, as Ms. Miller had mentioned, once the STA funds are received, the remaining discrepancy of approximately $140,000 needed to reconcile the prior year's budget will be resolved. He provided an example, noting that if the STA disbursement totals around $400,000, only about $200,000 would appear on the income statement. This is because the other $200,000 would be applied toward reconciling the prior year's shortfall. He further clarified that this is what the CPA, Ms. Castillo, refers to when she describes using those funds as a "cash flow statement" or "placeholder" until the STA disbursement arrives. Once received, the funds are then divided—allocating a portion to address the previous year's deficit and the remainder toward the current fiscal year's operations.

Ms. Miller noted that the STA funds have traditionally been used for capital purposes. Director Plasse added that the funds were typically used to replenish or contribute to the reserve accounts in alignment with the agency's depreciation schedule. Ms. Miller agreed, explaining that those reserve funds were then drawn upon for capital needs such as building repairs or fleet purchases. She acknowledged that in the previous year, however, the board had chosen to allocate $130,000 of the STA funds toward operating expenses to allow the LTF to be shared. She concluded by noting that the use of STA funds has varied from year to year, depending on how the allocations were designated.

Ms. Miller explained that the STA funds have traditionally been used for capital purposes. Director Plasse added that these funds were typically applied to replenish or contribute to the reserve accounts in accordance with the agency's depreciation schedule. Ms. Miller agreed, noting that such reserve funds were then utilized for capital improvements, such as building repairs or fleet purchases. She further acknowledged that in the previous year, the board had chosen to allocate $130,000 of STA funds toward operating expenses in order to allow the LTF to be shared. She concluded that the use of STA funds has varied from year to year, depending on how the allocations were directed.

Mr. Gedney concluded by stating that much of the confusion surrounding this issue could be resolved if the board were to direct staff to prepare and present an amended budget for FY 2024–2025. Now that the fiscal year has closed, he explained, the exact expenditures are known and can be compared against the approved budget. This comparison would reveal any differences and should align with the audit findings, providing a clear and straightforward way to tie all accounting and budget information together. Director Staples corrected Mr. Gedney, noting that the appropriate term is "reconciled budget," not "approved budget," and Mr. Gedney agreed. He added that once the reconciled budget is approved by the board, it can then be forwarded to the auditor. Mr. Gedney further explained that this process has not previously been followed. Instead, Ms. Castillo had been reconciling the books independently, determining how much money needed to be drawn from the STA account, and then sending that information directly to the auditor—who, in turn, assumed that the reconciled budget had already been reviewed and approved by the board.

Director Plasse asked how the board could best address this issue in real time so it can make informed decisions about maintaining a balanced budget and avoid the recurring practice of depleting reserves. Mr. Gedney responded that the first step is to review the actual expenditure figures. Director Plasse noted that doing so would only provide information in hindsight rather than in real time. Mr. Gedney acknowledged this but explained that while the actuals reflect the prior year, they reveal the agency's true expenditures. He pointed out that each year, the budget presented to the board has been approximately $200,000 less than what the agency knew it would ultimately spend, requiring $200,000 to be drawn from the STA funds at the start of every fiscal year.

Director Staples stated that reviewing those reconciled figures will make the shortfall clear and allow the board to use that data to inform the development of the following year's budget. Director Plasse remarked that the budget for the current fiscal year has already been drafted. Mr. Gedney agreed and explained that this is precisely why reviewing the reconciled budget from the previous year is important. Director Staples added that the current fiscal year's budget can still be amended as needed, and Director Plasse agreed. Mr. Gedney reiterated that the first step should be for the board to receive the reconciled budget for the fiscal year ending June 30, 2025, which will clearly show the agency's actual expenditures. That information can then be compared to the current fiscal year's budget, and, as Director Plasse noted, amendments can be made as necessary to ensure financial accuracy and stability.

Ms. Miller informed the board that Ms. Castillo had just begun working on the books for the last fiscal year and asked when the board would like to receive the reconciled budget. The board agreed that having it presented at the next board meeting would be preferable, if possible. Director Staples then asked whether Ms. Castillo was conducting a full audit or simply an audit review. Ms. Miller responded that Ms. Castillo was performing a full audit. Director Staples noted that while the full audit may not be completed by the next meeting, Ms. Castillo should still be able to complete the budget reconciliation by then.

Director Plasse asked for clarification on whether Ms. Castillo herself was performing the official audit, and Ms. Miller confirmed that she was not. She explained that Ms. Castillo is preparing the audit work, and that she could collaborate with her to produce the reconciled budget. Director Plasse stated that Ms. Castillo should be able to provide both the reconciled budget from the prior fiscal year and the current fiscal year's budget to Ms. Miller in time for inclusion in the next month's board packet, allowing for a clear comparison to be presented to the board. Chairman Crew agreed, remarking that such a process would provide the board with financial information as close to real time as possible.

> **Motion:** It was moved by Director Staples, seconded by Vice-Chairman Riordan, and carried unanimously to approve the Consent Agenda as presented.

Ayes: Bottomley, Oneto, Plasse, Riordan, Staples, Crew
Noes: None
Absent: None

REGULAR AGENDA ITEMS:

#8. AT General Manager Report (Information Only): Ms. Miller reported that, as reflected on the income statement, no funding has yet been received, which is why staff is requesting transfers from reserves. She noted that two (2) FY 2026 5310 grant applications have been submitted, with award announcements anticipated in spring 2026. She further stated that the 5339 standard agreement is expected to be released imminently, and once issued, AT will move forward with inquiries into purchasing three new vehicles. In response to Director Plasse's question regarding operational funding, Ms. Miller confirmed that both the 5310 and 5311 grants provide operating support. Director Plasse asked for clarification on the 5311 funding amount and reimbursement process; Ms. Miller stated that the total is approximately $349,000 is reimbursable, and although not all months are currently due, she can invoice for June 2024 through June 2025 but has not yet done so.

Director Plasse inquired about the dispatcher who recently left AT. Ms. Miller stated she had no additional information and could not disclose personal details but acknowledged that AT has been significantly short staffed. In addition to managing finances and grant applications, she has also been assisting with dispatching. She noted that the afternoon dispatcher position has now been filled with the new employee starting on Monday.

#9. Approve Monthly Claims List: Director Plasse inquired about the expense listed under line item #52100 – Vehicle Tech Serv–Outsource, specifically referencing the $1,200 charge dated October 22, 2025, for diagnostic work performed by Robert Hahn's Automotive, Inc. He asked whether the agency had considered purchasing its own diagnostic equipment to complete this work in-house. AT staff responded that while they do possess a Snap-On scanner, its capabilities are limited. Staff further explained that the two vehicles requiring this level of diagnostic service are both 2013 six-liter diesel models, which continue to experience recurring mechanical issues and therefore are frequently sent to Hahn's Automotive for evaluation and repair.

Director Plasse again asked about the availability and capability of the agency's in-house diagnostic scanner. AT staff reiterated that its functionality is limited because it operates under a subscription-based model, with the annual subscription cost determining both the level of diagnostic information accessible and the number of diagnostics that can be performed. Staff further noted that the bus recently retrieved from Hahn's Automotive was returned to the shop within two days due to continued mechanical issues.

Ms. Miller clarified that Director Plasse's previous questions pertained specifically to the shop truck and the diagnostic charge shown on the expenditure report. Director Plasse reiterated his inquiry about whether the agency had considered purchasing diagnostic equipment to perform this type of work in-house rather than subcontracting it out, and whether the cost of code readers would ultimately be more efficient than ongoing outsourced diagnostics. AT staff explained that the charge referenced was for the shop service truck, which had begun knocking and was taken to Hahn's Automotive for evaluation. The diagnosis revealed a lost injector and a failed glow plug in cylinder three (3), and staff reported that a metal fragment had entered the cylinder, damaging both the cylinder and piston, resulting in catastrophic damage to the top and bottom of the head. Hahn's Automotive initially recommended full engine replacement, quoting approximately $20,000. A second opinion suggested removing the cab to access and remove the head, then assessing whether replacing only the piston and head would be feasible at an estimated cost of $5,000–$10,000. Director Plasse asked about the vehicle's mileage, and Ms. Miller reported it had approximately 27,000 miles. In response to whether it was still under warranty, Ms. Miller confirmed it was not, as the truck is a 2014 model and outside the warranty period. She also noted that the vehicle has had significant prior mechanical issues and had previously been involved in a T-bone collision.

Director Oneto asked what size engine the vehicle has, and AT staff responded that it is a 6.7-liter engine. Ms. Miller added that although the agency does have several code readers, they maintain only a limited subscription because there are only two vehicles in the fleet that require that specific diagnostic capability.

> **Motion:** It was moved by Director Plasse, seconded by Director Staples, and carried unanimously to approve the monthly claims list.

Ayes:	Bottomley, Oneto, Plasse, Riordan, Staples, Crew
Noes:	None
Absent:	None

#10. CLOSED SESSION: At 11:46 a.m. Chairman Crew called for a Closed Session as noticed: Conference for Personnel Matters – pursuant to Government Code Section §54957. The Chairman adjourned the closed session of AT at 12:38 p.m. Vice-Chairman Riordan reported that Directors decided to make a job offer to Ms. Miller, to be the General Manger of AT, which she accepted. The board will be working with legal counsel to determine job contracts. She will now be receiving the base pay for this position, which is $105,328.

#11. Future Agenda Items: None

ADJOURNMENT:
At 12:40 p.m. the Chairman adjourned the regular meeting to Thursday, December 4, 2025 at 9:00 a.m. at 117 Valley View Way, Sutter Creek, CA 95685.

Patrick Crew, Chairman
Amador Transit

ATTEST:

Recording Clerk

Note: Copies of referenced documents are available at the AT and ACTC offices.