Gold Coast Transit District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

Gold Coast Transit District
Board of Directors – 2015

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John C. Zaragoza, Director
Supervisor, 5th District, County of Ventura

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For the Fiscal Year Ended June 30, 2015

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Gold Coast Transit District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

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INTRODUCTORY SECTION

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October 26, 2015

The Board of Directors
Gold Coast Transit
Oxnard, California

Members of the Board:

It continues to be my pleasure to serve as Gold Coast Transit's General Manager. In FY 2014-15, Gold Coast Transit District (District) delivered over 3.9 million passenger trips and operated 2.6 million miles of revenue service in western Ventura County. Over the past year we have focused on providing high quality bus service, evaluating our performance, and progressing toward completion of the design phase of the new facility.

Key developments at the District during the FY 2014-15 include:

- **Named "Small Operator of the Year" by California Transit Association** in November 2014.

- **New Facility –** Since finalizing the purchase of the Auto Center Drive property last year. The District staff has been actively working with the architect and the City of Oxnard to move the project forward. Final design is nearly complete. Construction is planned for 2016 - 2017. Reed Caldwell continues to provide leadership in Project Management ensuring this critical project is kept on track.

  The District partnered with the California Transit Finance Corporation to initiate a Certificate of Participation (COP) issue to finance the remaining portion of the project. The issue was assigned an initial rating of A2 by Moody's in August 2015, and will be sold when the project is ready to commence.

- **Staff Changes and Development –** The District's Human Resources department, led by Debbie Williams has been active in filling approved positions. In January, Vanessa Rauschenberger was promoted to the position of Director of Planning and Marketing. Additionally, new positions including IT Manager, Financial Analyst, Human Resources Assistance and Planner I were established and successfully recruited. In addition, we conducted a special training session for our bus operators on dealing with difficult people.

- **Facility Improvements –** Efforts to make safety and efficiency upgrades to the existing facilities have continued this year. Design was completed on the remodel of the District's Customer Service Center at the Oxnard Transportation Center. The construction phase, including ADA improvements and safety upgrades, is underway and should be completed by the end of January 2016.

- **New Vehicles –** During FY 2014-15 we took delivery of the first vehicles for our new fleets; the first of thirteen Gillig 40-foot CNG buses and the first four of eight MV-1 CNG vans for paratransit use.

- **Rebranding** – This year Gold Coast Transit Board adopted a new more modern logo and bus paint scheme design. The new modern look will be implemented agency and fleet wide in the coming year.

- **Planning –** This year the District completed the successful implementation of the new Route 22 and the improved Route 17, as well as extending hours on routes 6, 8 and 17 to accommodate the last class of the day at Oxnard and Ventura Colleges. The new Route 22 connects North Oxnard to East Ventura along Vineyard Avenue, and is partially funded using a Federal CMAQ grant awarded by VCTC (July 2015). This route cuts an hour of travel time in each direction. Additionally, planning staff completed extensive public outreach for the FY 2015-16 Short Range Transit Plan, and completed work on the new Bus Stop Guidelines.

- **Marketing and Community Outreach –** The District has continued and expanded our successful community outreach events, attending Earth Day festivals, Farmers Markets, the Saticoy Street Fair and the Ojai Day festival. The use of real-time traveler information available from NextBus and Smart Ride utilizing smart phone apps has continued to be popular, and GCTD Trip Planning information is now live on Google Maps and linked to the District's website.

The Gold Coast Transit District team is very proud of its accomplishments to date and we remain committed to upholding the organization's mission: to provide safe, responsive, convenient, efficient, and environmentally responsible public transportation that serves the diverse needs of our community.

Steven P Brown

Steven P. Brown
General Manager

October 26, 2015

Board of Directors
Gold Coast Transit District
301 E. Third St.
Oxnard, California 93030

Members of the Board:

This is Gold Coast Transit District's Comprehensive Annual Financial Report (CAFR) covering the fiscal year ended June 30, 2015. As the successor agency to the GCT Joint Powers Authority, this marks the end of the District's first complete fiscal year. The legislation creating the District took effect on July 1, 2014.

The CAFR has been prepared by the Office of the Director of Finance and Administration, working with our independent auditors, the Pun Group, in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). This year, adjustments were made to the financial statements to incorporate the District's net pension liability as of measurement date of June 30, 2014, as required by GASB 68 and 71.

This Office is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe that the data, as presented, is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the District as of June 30, 2015. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The CAFR represents the culmination of all budgeting, financial and accounting activities engaged in by the District during the fiscal year. The CAFR is organized into three sections:

1. The ***Introductory Section*** is intended to familiarize the reader with the organizational structure of the District and the nature and scope of the provided services.

2. The ***Financial Section*** includes a Management Discussion and Analysis narrative to introduce the financial statements and analyze the financial activities during the fiscal year. This section also includes the Independent Auditor's Report, audited financial statements, disclosure notes, supplementary budget information, supporting statements and schedules necessary to fairly present the financial position and the results of the operations of the District in conformity with generally accepted accounting principles.

3. The ***Statistical Section*** contains comparative statistical data on the District's financial, physical, economic and social characteristics.

The preparation of this Comprehensive Annual Financial Reported required the cooperation of the District management, staff and our independent auditors, The Pun Group, led by the audit engagement partner, Paul J. Kaymark, CPA. I wish to express my thanks and appreciation to the District's Accounting and Finance staff; Finance Analyst Daniel Amaro, Payroll and Benefits Specialist Linda Marie Soshea, Administrative Specialist Gerry Sta. Ana, and especially Accounting Manager Lili Marlene T. Tomen. As the Agency became a District and its administration became larger and more complex, this skilled and dedicated group continues to work even harder to keep the agency compliant and moving forward.

Steve L. Rosenberg
Director of Finance and Administration

History[1]

When Gold Coast Transit District (District) came into existence on July 1, 2014 as the result of legislation signed by Governor Brown on October 3, 2013, it represented a significant next step in the evolution of public transit in Western Ventura County. This document represents the completion of the District's first complete fiscal year.

South Coast Area Transit (SCAT) was established in 1973. On July 17, 1973 the Cities of Ojai, Oxnard, Port Hueneme and San Buenaventura executed a Joint Powers Agreement that created SCAT to develop and operate local and intercity public transportation in western Ventura County. The County of Ventura became a SCAT member agency in October of 1977.

Prior to SCAT's creation, two municipal bus lines operated the region's public transit service. Ventura Transit City Lines operated local service in Ventura and intercity service to Ojai. Oxnard Municipal Bus Lines served Oxnard and Port Hueneme. Following a national trend, the bus systems flourished through the mid 1940's but both ridership and service levels declined in the years following. By the late 1960's it became increasingly difficult for cities to maintain municipal bus lines with local general funds.

The outlook for public transit systems in California brightened in 1971 when the State Legislature created a source of dedicated transportation funding through passage of the Transportation Development Act (TDA). The availability of TDA funds to local governments provided an impetus for forming a single regional transit entity to operate coordinated transit services across municipal boundaries and in some unincorporated areas of western Ventura County.

After SCAT's creation in 1973, the operating systems of Ventura Transit City Lines and Oxnard Municipal Bus Lines were merged to create the SCAT regional transit system. Bus service was implemented on November 4, 1973. SCAT originally operated from two facilities located in Ventura and Oxnard. In February of 1980 all SCAT functions were consolidated in a single administrative, operating and maintenance facility on a three-acre site at 301 E. Third Street in Oxnard.

In June 2007, SCAT's Joint Powers Agreement was amended to, among other changes, rename the agency from South Coast Area Transit to Gold Coast Transit; this change became effective July 1, 2007. The restructuring of Gold Coast Transit as a Transit District marked a significant milestone for the agency, providing a more solid financial structure and an increased sense of permanence. The District is today preparing for its next key milestone as we complete the design of our new Operations and Administration Facility in North Oxnard, scheduled for completion in 2017.

Services

The District provides fixed-route bus and paratransit services in the cities of Ojai, Oxnard, Port Hueneme and Ventura, and in the unincorporated Ventura County areas between those cities. The service area is approximately 91 square miles with an estimated population of 375,000.

The District served nearly 4 million passenger boardings in Fiscal Year 2014-15, an increase of 2.4% from the previous year, and operated nearly 2.7 million miles of revenue service, an increase of 3.7% from the previous year. The District operates a fleet of 56 full-size (35-foot and 40-foot) buses on fixed route service and 24 cutaway buses and specialty vans on paratransit service, all using clean burning compressed natural gas (CNG). The District is in the process of replacing its eleven oldest buses and its entire paratransit fleet, funded 100% by Federal and State grants. The District operates its own onsite CNG fueling station, having in 2011 completed construction of a second-generation CNG fueling station.

In Fiscal Year 2014-15, the District's fixed-route service boarded 3.91 million passengers, an increase of 2.4% from the previous year, while the ACCESS paratransit system transported 84,604 passengers, an increase of 2.6% over the previous year.

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[1] Historical information excerpted from "A Historical Summary of Gold Coast Transit," by Peter G. Drake, retired SCAT general manager.

Mission Statement

The District's mission is to provide safe, responsive, convenient, efficient, and environmentally responsible public transportation that serves the diverse needs of our community, by:

1) Offering a range of transit opportunities to serve the diverse needs of our community;
2) Building on the District’s internal strengths and capacities to achieve the highest standards of transit service delivery and foster a sense of ownership for employees;
3) Providing safe and dependable transit service that is convenient and efficient;
4) Providing transit services that are environmentally and sustainably responsible as well as supportive of and supported by sustainable development/smart growth/TOD;
5) Maintaining the most appropriate governance structure to facilitate the achievement of the highest standards of transit service delivery; and
6) Maintaining a balanced fiscal plan that supports our Mission Statement.

Management

The General Manager is appointed by the Board of Directors and is charged with carrying out the Board’s policies and directives. The General Manager leads a management team made up of five departmental directors and the Project Manager for the District’s new Operations and Administration Facility. Members of the District’s management team are:

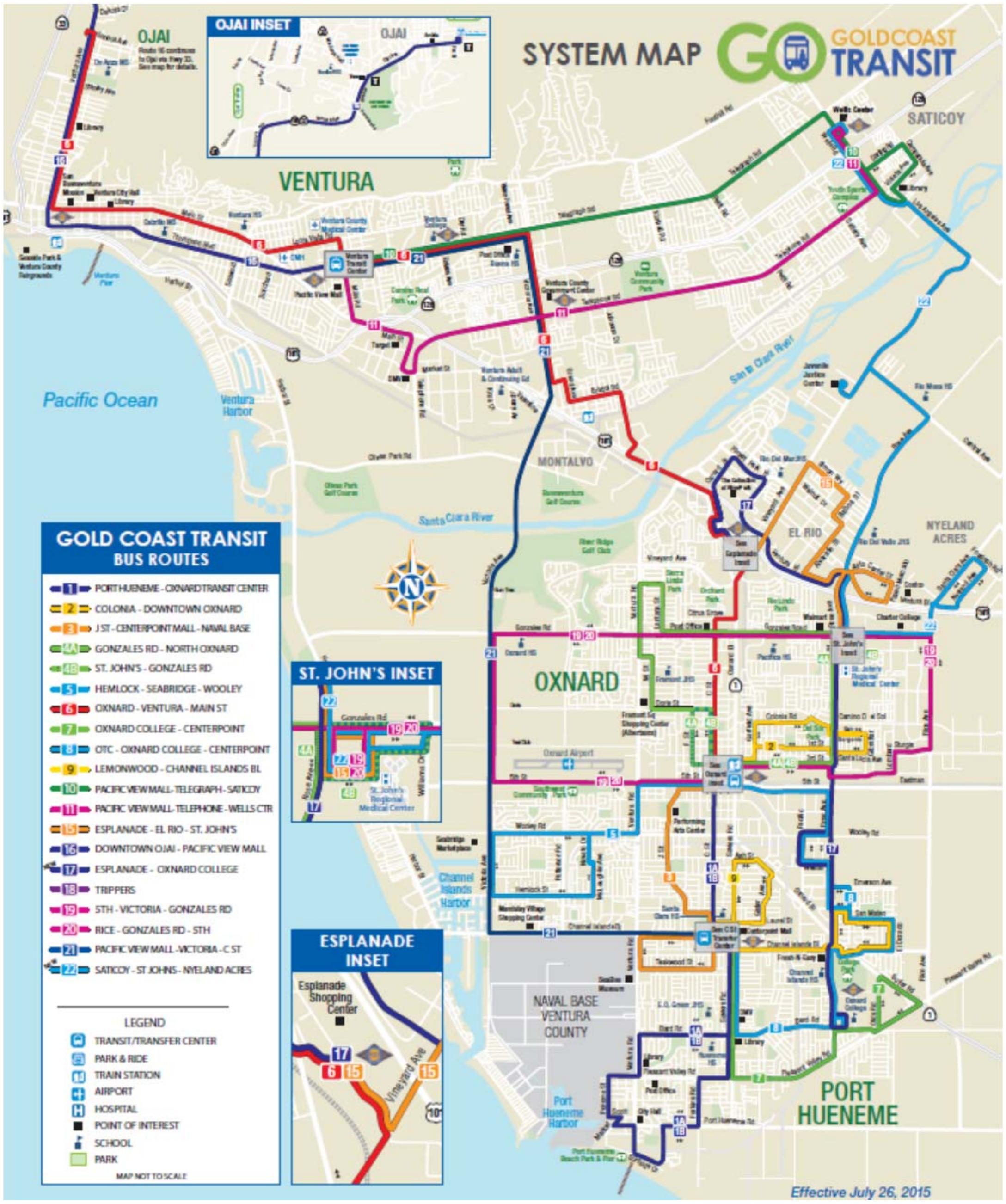
Steven P. Brown, General Manager
Steve L. Rosenberg, Director of Finance and Administration
Robert Lurie, Director of Fleet and Facilities
Andrew Mikkelson, Director of Transit Operations
Debbie L. Williams, Director of Human Resources
Vanessa Rauschenberger, Director of Planning and Marketing
Reed Caldwell, Facility Project Manager

As the end of Fiscal Year 2014-15, the District had 191 employees, the majority of whom provide or supervise bus service. The Operations Department had 145 employees, including 134 bus operators, nine transit supervisors, one operations safety & training officer, and the Director of Operations. The Maintenance Department had 22 employees, including ten mechanics, five service workers, two parts specialists, one facility and equipment mechanic, three supervisors and the Director of Fleet and Facilities. The Administration Department had fourteen employees, including the General Manager, the Office Manager, the Facility Project Manager, the Director of Finance and Administration, the I.T. Manager, the Accounting Manager, the Payroll and Benefits Specialist, the Finance Analyst, the Administrative Specialist, the Purchasing Manager, the Buyer, the Director of Human Resources, the Human Resources and Risk Manager and the Human Resources Assistant. The Planning & Marketing/Paratransit Department had ten employees, including the Director of Planning and Marketing, the Communications and Marketing Manager, the Paratransit and Special Projects Manager, the Planning Manager, two Transit Planners, three Customer Service Assistants and a part-time Transit Planner assigned to the new facility project. Service Employees International Union Local 721 represents all bus operators, all non-supervisory maintenance employees and the three Customer Service Assistants.

In addition to the District’s directly operated fixed route bus service, the District contracts with MV Transportation, Inc. for the management and operation of the District’s ACCESS, a regional paratransit service providing curb-to-curb transportation for people with disabilities and senior citizens.

Map of Ventura County, California

Gold Coast Transit District Bus System Map



FINANCIAL SECTION

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THE PUN GROUP
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Gold Coast Transit District
Oxnard, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund and the aggregate remaining fund information of the Gold Coast Transit District (District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As discussed in Note 1 to the basic financial statements, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans-an amendment of GASB Statement No, 27*, and GASB Statement No, 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*. The adoption of these statements requires retrospective application of previously reported net position at July 1, 2014 as described in Note 8 to the basic financial statements. In addition, the Net Pension Liability is reported on the Balance Sheet in the amount of $7,776,333 as of June 30, 2014, the measurement date. This Net Pension Liability is calculated by actuaries using estimates and actuarial techniques from an actuarial valuation as of June 30, 2013 which was then rolled-forward by the actuaries to June 30, 2014, the measurement date. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 20 and the Schedule of Changes in Net Pension Liability and Related Rations, the Schedule of Contributions – Pension Plan and the Schedule of Funding Progress – Other Post-Employment Benefits Plan on pages 57 through 59, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Management has omitted certain accrual-based information that accounting principals generally accepted in the United States of America require to be presented in the statistical section of the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to improve consistency and comparability in reporting and provide clearer guidance regarding the applicability of the standards for the statistical section to all types of governmental entities. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 5 and 6.

The Pun Group, LLP

Santa Ana, California
October 26, 2015

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THE PUN GROUP
ACCOUNTANTS & ADVISORS

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

Independent Auditors' Report

To the Board of Directors
of the Gold Coast Transit District
Oxnard, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Gold Coast Transit District (District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated October 26, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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Purpose of this Report

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

The Pun Group, LLP

Santa Ana, California
October 26, 2015

Gold Coast Transit District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2015

The following Management Discussion and Analysis (MD&A) of activities and financial performance of Gold Coast Transit District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the transmittal letter contained in the Introductory Section and with the statements and related notes contained in the Statistical Section.

On July 1, 2014, state legislation established Gold Coast Transit District, replacing Gold Coast Transit's previous structure as a Joint Powers Authority (JPA). As a result, FY 2014-15 is the first full year of operation for the District.

Activities and Highlights

The District provides bus and paratransit services in the cities of Ojai, Oxnard, Port Hueneme and Ventura, and in the unincorporated County areas between the cities. The service area is approximately 91 square miles with a population of approximately 375,000.

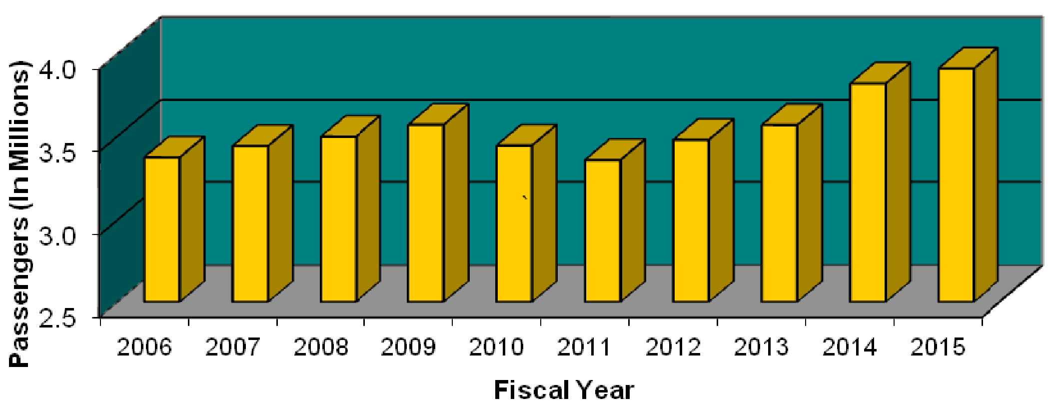
The District owns 80 revenue vehicles which are 100% fueled with clean burning compressed natural gas (CNG), primarily from the District's owned and operated CNG fueling station. In FY 2014-15, the District vehicles carried nearly 4 million passengers while traveling nearly 2.7 million revenue miles.

The District operates a fleet of 56 fixed-route buses. In FY 2014-15, the Districts fixed-route buses operated 2.11 million miles of revenue service and served 3.91 million passenger boardings, an increase of 2.4% over the previous year and more than in any other year in its history.

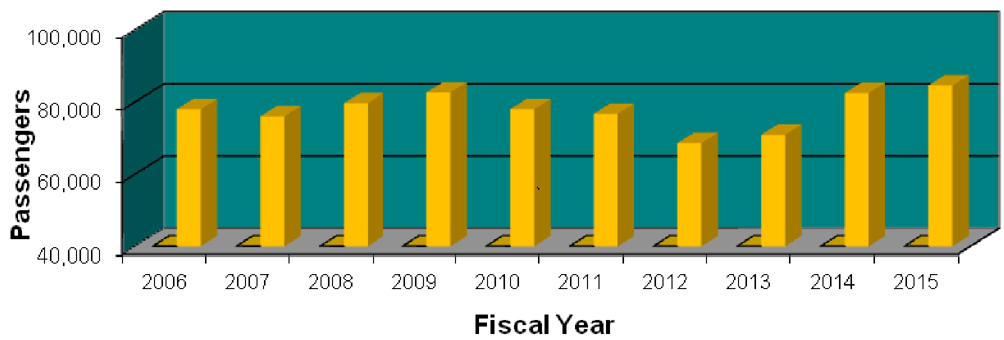
In FY 2014-15, the ACCESS paratransit system transported 82,495 passengers, an increase of 2.6% from the previous year. The District owns the paratransit fleet consisting of 24 vans, which are operated under contract by MV Transportation, Inc.

	2015	2014	Increase/ (Decrease)
Fixed-Route Passenger Trips	**3,908,847**	**3,817,758**	**2.4%**
ACCESS Paratransit One-Way Trips	**84,604**	**82,495**	**2.6%**
Total Boardings	**3,993,451**	**3,900,253**	**2.4%**

Fixed Route Bus Ridership – Unlinked Passenger Trips from 2006 to 2015



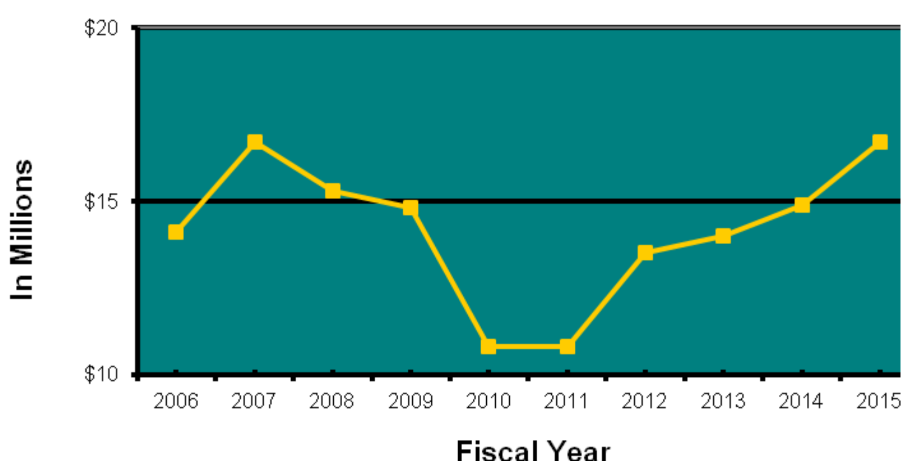
ACCESS Paratransit Ridership – One-way Trips from 2006 to 2015



The District is different than the majority of transit operations in Southern California in that it provides transit service without support from direct local sales tax measures, tax levies or dedicated general funds. The use of Local Transportation Funds (LTF) from a quarter-cent state sales tax provided by the Transportation Development Act (TDA) of 1974 has historically been the primary local means available to the District to support transit services.

LTF increased substantially through the early 2000's, peaked in FY 2006-07, and was highly impacted by the recession that followed. After decreasing 35% from FY 2006-07 to FY 2009-10, LTF funding allocated to the District member jurisdiction (by population) is approaching a return to its pre-recession level. In FY 2014-15, including a supplemental (one-time) allocation of $2.3 million, the District received nearly $16.7 million in LTF funding.

LTF Funding Allocated to District Members - 2006 to 2015



In FY 2015, Gold Coast Transit, a joint powers authority (JPA), became Gold Coast Transit District (District) as the result of state legislation signed by Governor Brown in October 2013. FY 2014-15 was the first fiscal year for the District. As a special district, the District directly receives all LTF funds allocated to its members' jurisdictions; previously The District was allocated a portion of the LTF by its members based on budget requirements. The legislation also allows the District members to claim from the District a portion of its LTF funds for transit services (not provided by the District) that the member funds or operates.

The District's second largest source of operating revenue is the Federal Transit Administration (FTA). Federal Section 5307 grants, the program that funds the District's operating revenue line items, are based on a federal formula and have remained relatively stable over the past five years. The District expended $4.2M in Section 5307 grant funds for operating revenue purposes in FY 2014-15. The District also uses Federal Congestion Mitigation and Air Quality Improvement (CMAQ) funds to help pay for new routes, called demonstration projects. The District expended $1.3M in CMAQ funds in for three routes in FY 2014-15.

Another revenue source for the District is State Transportation Assistance. While STA accounts for a small percentage of the District's revenues (0.84% in FY 2014-15), STA does provides significant funding for competing Ventura County transit priorities such as Metrolink and VISTA. After having been eliminated during the recession and reinstated following litigation by replacing the sales tax on fuel with an increase in the diesel fuel excise tax rate, STA now appears to have stabilized as a transit funding source. The District expended $161K in STA in FY 2014-15

GASB Statement No. 68 and 71 Implementation

The Governmental Accounting Standards Board (GASB) is an independent, nonprofit, non-governmental regulatory body charged with setting accounting and financial reporting standards for state and local governments. Beginning with Fiscal Year 2014-15, GASB Statements No. 68 and 71 require agencies to report their net pension liability in accrual-based financial statements. This is distinctly different than previous methods in which funding and accounting were aligned. Please note that these standards only impact the accounting and financial reporting of pension obligations for governmental employers; pension contribution rates and funding requirements are not impacted by GASB No. 68 or 71.

The District employees are covered by a CalPERS pension plan. As a result of these accounting changes and CalPERS' policy decision to value net pension liability based on value on June 30th of the prior year (in this case, June 30, 2014) as opposed to the current year, we calculated an adjustment that reduced our FY 2014-15 pension expense by $314,045. This adjustment is reflected in the information discussed herein. We anticipate that in many years this equivalent adjustment will result in a pension expense *increase*. In total, the GASB No. 68 and 71 requirements added a net pension liability of $7,776,333 to the District's balance sheet, and reduced the District's net position by $10,319,693 as a prior period adjustment. Again, this adjustment is reflected in the information discussed herein.

Note 8 of the Audit Report addresses the GASB No. 68 and 71 requirement in substantially greater detail.

Financial Position Summary

The District's total net position is 13% higher than FY 2013-14 at $21.4 million. The growth in the District's current and other assets is the result of a $2.4M increase in the capital reserve account and an additional $1.9M in receivables from Federal funding, the result of delayed grant reimbursements for FY 2014-15 expenses. The growth in the District's net capital assets is the result of the purchase in July 2014 of a 15-acre property in North Oxnard for a new Operations and Administration Facility. Deferred outflows and inflows and the net pension liability are GASB No. 68 and 71 adjustments. See the Condensed Balance Sheet on the following page.

Financial Position Summary, continued

Condensed Balance Sheets

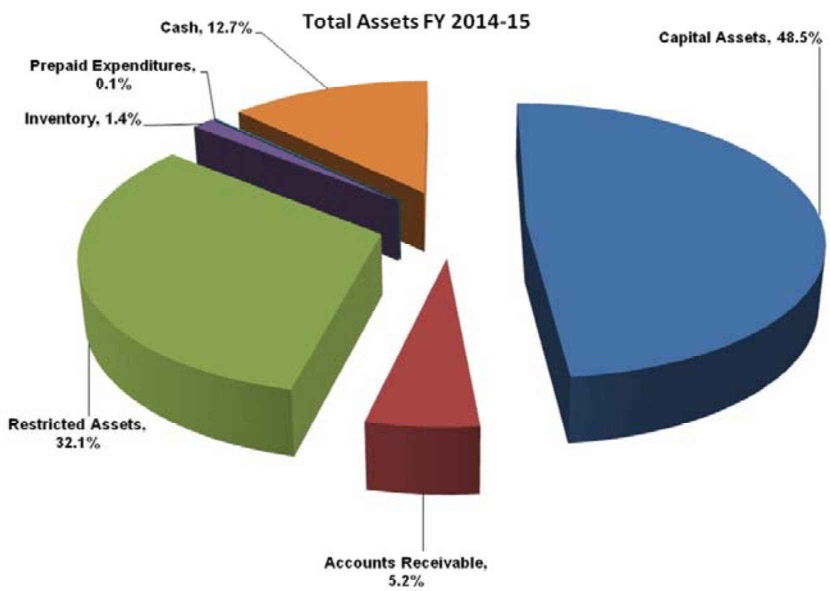
	2015	2014	Change
Assets:			
Current assets	$ 15,531,471	$ 19,413,868	$ (3,882,397)
Non-current assets	33,964	34,816	(852)
Capital assets, net	22,375,098	13,213,508	9,161,590
Total assets	37,940,533	32,662,192	5,278,341
Deferred outflows of resources	1,301,199	-	1,301,199
Total assets and deferred outflows of resources	$ 39,241,732	$ 32,662,192	$ 6,579,540
Liabilities:			
Current liabilities	$ 7,406,526	$ 13,435,513	$ (6,028,987)
Non-current liabilities	8,095,313	307,525	7,787,788
Total liabilities	15,501,839	13,743,038	1,758,801
Deferred inflows of resources	2,338,334	-	2,338,334
Net position:			
Net investment in capital assets	22,375,098	13,213,508	9,161,590
Restricted for capital projects	6,562,550	4,106,949	2,455,601
Unrestricted	(7,536,089)	1,598,697	(9,134,786)
Total net position	21,401,559	18,919,154	2,482,405
Total liabilities, deferred outflows of resources and net position	$ 39,241,732	$ 32,662,192	$ 6,579,540

The largest portion of the District's ***net position*** is its net investment in capital assets, such as buses, buildings, improvements, and equipment, net of accumulated depreciation. The District uses these capital assets to provide services to its passengers; consequently, these assets are not available for future spending. The increase in capital assets is primarily due to the acquisition of a 15-acre property for a new Operations and Administration Facility.

Restricted net position are those funds set aside or specifically awarded to fund the purchase of future capital projects and transit vehicle acquisitions, and the District's capital reserve increased this year by almost $2.4M. The remaining *unrestricted net position* may be used to meet the District's capital and ongoing obligations. This amount increased from $1.6M in FY 2013-14 to $1.67M in FY 2014-15; however the entry of a $9.1M pension liability results in a net negative balance of almost $7.5M.

The District also held as unearned revenue at year-end $8.2 million from California Proposition 1B bonds, to be used for pending capital improvement projects in its expendable trust funds.

The following chart shows GCT's total assets by percentage.



Passenger Fares

Passenger fares are set by the Board of Directors and changed when determined necessary by the Board. The most recent fare increase was approved during FY 2009-10, when the Board of Directors approved a two-phase fare increase. The first phase took effect on January 24, 2010, and the second phase took effect on August 21, 2011. The base cash fare for fixed route buses is $1.50, and by policy the paratransit fare is automatically set at twice the amount of the fixed route fare, or $3.00.

The District restructured its multi-ride ticket and monthly pass program in October 2013. The District's current fare structure is as follows:

GCT FIXED ROUTE FARES

Cash Fares (One Way)	Fare Amount	Multi-Ride Ticket or Monthly Pass	Fare Amount
Adult	$1.50	Adult	
Youth (through age 18)	$1.50	15-Ride	$20.00
Seniors (65-74 years of age with GCT I.D or proof of age)	$0.75	31-Day Pass	$50.00
Medicare (with Medicare Card)	$0.75	Youth	
Disabled (ADA card or GCT I.D.)	$0.75	15-Ride	$15.00
Seniors 75+ (with GCT I.D or proof of age)	Free	31-Day Pass	$40.00
Children under 45" tall (when accompanied by paid fare)	Free	Reduced Fare (Senior/Disabled)	
Day Pass (One-Day/Unlimited Boardings)	$4.00	15-Ride	$10.00
Day Pass for Seniors/Medicare/Disabled	$2.00	31-Day Pass	$25.00

GCT ACCESS (Paratransit) FARES

Cash Fares (One Way)		Multi-Ride Ticket or Monthly Pass	
ADA Certified or Senior	$3.00	Book of Ten Tickets - ADA Certified or Senior	$30.00
Senior Nutrition (registered with County program)	Donation		

Financial Operations Highlights

Operating revenues increased 8.3%, from $3,714,914 in FY 2013-14 to $4,022,983 in FY 2014-15. Fare revenues increased 6.9%, while local fare support increased 17.1% as a result of increased revenue from the Medi-Cal Administrative Activities (MAA) program, initiated with the District and Ventura County Public Health to compensate the District for paratransit services for Medi-Cal eligible trips. The District achieved its TDA-mandated fare box recovery ratio of 20% overall or 20% for fixed route and 10% for paratransit.

Operating expenses before depreciation increased 5.1% from $18,531,482 to $19,381,448; prior to GASB No. 68 and 71 adjustments operating expenditures were $19,695,493, 6.3% higher than FY 2013-14. Operating expenditures were still considerably lower than the approved budget. The year-to-year increase was driven by:

1. A 5.3% increase in salaries and wages, driven by staffing additions to accommodate the growth of the District and a 4% wage increase in July 2014 for the first year of a four-year Memorandum of Understanding (MOU) between the District and SEIU Local 721. The MOU also included increasing pension contributions from (pre-2013) employees by 2.0% per year for each of the first three years of the contract. The District increased the fixed route Revenue Service Hours (RSH) it provides to the public by 1.3%, from 196,925 in FY 2013-14 to 199,418 in FY 2014-15. Operator labor is the District's largest single cost driver, and the volume of operator labor expended is closely related to the service hours provided.

2. An 8.4% increase in medical benefit contribution costs, resulting from additions to staff as well as a 3.0% increase in the District's medical benefit contribution negotiated in the referenced MOU.

3. A 16.0% decrease in pension expense, the result of required GASB No. 68 and 71 adjustments. Excluding these adjustments, pension expense increased 1.6%, the result of increased wages offset by reductions as the result of moving a portion of pension costs from the employer to the employees.

4. A 40.0% increase in fuels and lubricant costs resulting from an accounting change. In FY 2013-14 the District continued treating the Federal Alternative Fuel Excise Tax Credit as a contra-expense, reducing our fuel expense by $237,220 through December 31, 2013 when the credit expired. In December 2014, the credit was retroactively reinstated for tax year 2014. The District began accounting for this tax credit as a non-operating revenue starting in FY 2014-15. The District received $491,009 for tax year 2014 through December 31, 2014, when the tax credit once again expired. Without the credit, FY 2014-15 fuel costs would be 2.7% lower than FY 2013-14.

5. Natural gas continues to experience historic low pricing, and the District procures gas on a third-party contract that offers a 4% discount from the published SoCal Gas price. Excluding any tax credit, the District's vehicles drove 3.2 million miles in FY 2014-15, 71% by full-size buses, and our fuel cost was $.23 per mile. That's the equivalent of getting just over 13 miles per gallon at $3.00 per gallon - better than some cars or pick-up trucks.

6. A 4.0% increase in the cost for contracted ADA Paratransit service, driven primarily by a 2.6% increase in ridership.

7. A 5.8% increase in the cost for workers' compensation insurance, resulting primarily from increased payroll but also increased coverage rates.

Financial Operations Highlights (Continued)

Condensed Statements of Revenues, Expenses and Changes in Net Position

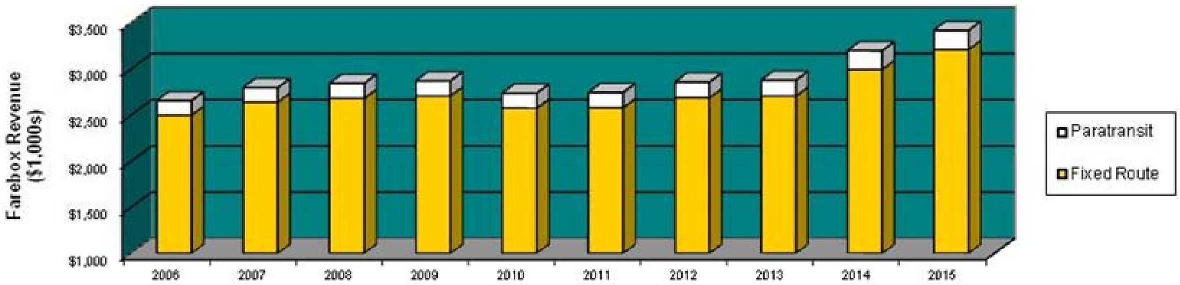
	2015	2014	Change
Operating revenues	$ 4,022,983	$ 3,714,914	$ 308,069
Operating expenses	(19,381,448)	(18,531,482)	(849,966)
Operating (loss) before depreciation	(15,358,465)	(14,816,568)	(541,897)
Depreciation	(2,405,787)	(2,519,756)	113,969
Operating (loss)	(17,764,252)	(17,336,324)	(427,928)
Non-operating revenues, net	15,326,887	14,816,568	510,319
(Loss) before capital contributions	(2,437,365)	(2,519,756)	82,391
Capital contributions	14,047,283	2,021,950	12,025,333
Change in net position	11,609,918	(497,806)	12,107,724
Net position:			
Beginning of year	18,919,154	19,416,960	(497,806)
Prior period adjustment	(9,127,513)	-	(9,127,513)
End of year	$ 21,401,559	$ 18,919,154	$ 2,482,405

Revenues

A summary of revenues for the year ended June 30, 2015 including the amount and percentage of change in relation to prior year amounts is as follows:

	2015	Percentage of Total	2014	Increase (Decrease)	% Increase (Decrease)
Operating revenues:					
Fixed-route passenger fares	$ 3,561,258	18.4%	$ 3,386,373	$ 174,885	5.2%
ACCESS paratransit fares	461,725	2.4%	328,541	133,184	40.5%
Total operating	4,022,983	20.8%	3,714,914	308,069	8.3%
Non-operating:					
Local assistance	8,869,456	45.8%	9,631,812	(762,356)	-7.9%
Federal funding	5,469,611	28.3%	4,733,271	736,340	15.6%
State funding	174,425	0.9%	192,000	(17,575)	-9.2%
Other	813,395	4.2%	259,485	553,910	213.5%
Total non-operating	15,326,887	79.2%	14,816,568	510,319	3.4%
Total revenues	$ 19,349,870	100%	$ 18,531,482	$ 818,388	4.4%

Passenger fare revenues for both fixed route and paratransit increased from FY 2013-14 to FY 2014-15. Fixed route fare revenues increased 7.2% and paratransit fares increased 2.5%. Modest ridership increases contributed to fare revenue growth. The following chart shows the District's passenger farebox revenues over the past ten years:



California regulations require that a transit service claimant for TDA funds have a system wide ratio of fare and local revenues to operating cost of at least 20%, or that the claimant realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. The ratio may include eligible local support funds such as funds from local jurisdictions and Medi-cal trip reimbursements, as well as agency-generated local funds such as revenue from on-board advertising and sale of the District's generated energy credit. The calculation also may exclude costs and fares for new services. The District's fare box recovery ratio (FBRR) for FY 2014-15 was 26.4% for fixed route and 17.8% for paratransit, with a combined FBRR of 25.1%. The following chart details the District's fare box recovery ratio calculation.

GCT Fare Box Ratio Calculation - FY 2014-15

Fixed Route		$ in millions	***Paratransit***		$ in millions
GCT Operating Expenses	$	17.0	GCT Operating Expenses	**$**	**2.7**
Less Excluded Costs	$	(1.6)			
GCT Operating Expenses Less Excluded Costs	**$**	**15.4**			
Revenue Applicable to FBRR			**Revenue Applicable to FBRR**		
Fixed Route Passenger Fares	$	3.2	Paratransit Passenger Fares	$	0.2
Local Government Transit Fares	$	0.4	Local Government Transit Fares	$	-
Advertising Revenue	$	0.2	Medi-Cal Service Reimbursement	$	0.3
Energy Credit Revenue	$	0.1			
Alternative Fuel Excise Tax Credit	$	0.5			
Less Excluded Revenue	$	(0.3)			
Revenue Applicable to FBRR	**$**	**4.1**	Revenue Applicable to FBRR	**$**	**0.5**
Fixed Route FBRR		***26.4%***	***Paratransit FBRR***		***17.8%***
			COMBINED FAREBOX RATIO		***25.1%***

Local Transportation Funds (LTF)

In FY 2014-15, Gold Coast Transit, a JPA, became Gold Coast Transit District as the result of state legislation signed by Governor Brown in October 2013. As a JPA, Gold Coast Transit was only entitled to request from its members the amount needed to fund current year operations and a discretionary capital reserve contribution. As a special district, the District is entitled to claim the entire amount of state Local Transportation Funds (LTF) apportioned by population to its member jurisdictions. The District's enabling legislation also allows the District's members to claim from the District a portion of its LTF funds for transit services (not provided by the District) that the member funds or operates.

For FY 2014-15 the District claimed $16,666,708 in LTF funds; an initial claim of $14,393,437 in June 2014 and a supplemental claim of $2,273,271 in February 2015. Of that amount, $7,566,743 was used for current year operations, $2,882,485 was claimed by the District's members for their transit service requirements, $2,603,271 was contributed to the District's capital reserve and $3,614,209 was deferred for future operating requirements. The FY 2014-15 LTF revenue recognized was a combination of $1,302,713 funds from FY 2012-13 and $7,566,743 from FY 2014-15 for a total of $8,869,456.

Federal and State Funds

As previously discussed, the District's second largest source of operating revenue is the Federal Transit Administration (FTA). In FY 2014-15, the District expended $4,186,200 in Section 5307 grant funds for operating revenue purposes and $1,283,411 in CMAQ funds to defray the cost of adding new service. The District also receives State Transportation Assistance, and in FY 2014-15 the District expended $160,522 in STA funds. Other state assistance totaled $13,903.

Other Revenue

Advertising Income – The District has been selling commercial bus advertising since FY 2006-07, and continues to attract advertising contracts from both local and national entities. In FY 2014-15, the District generated $220,960 in advertising revenues.

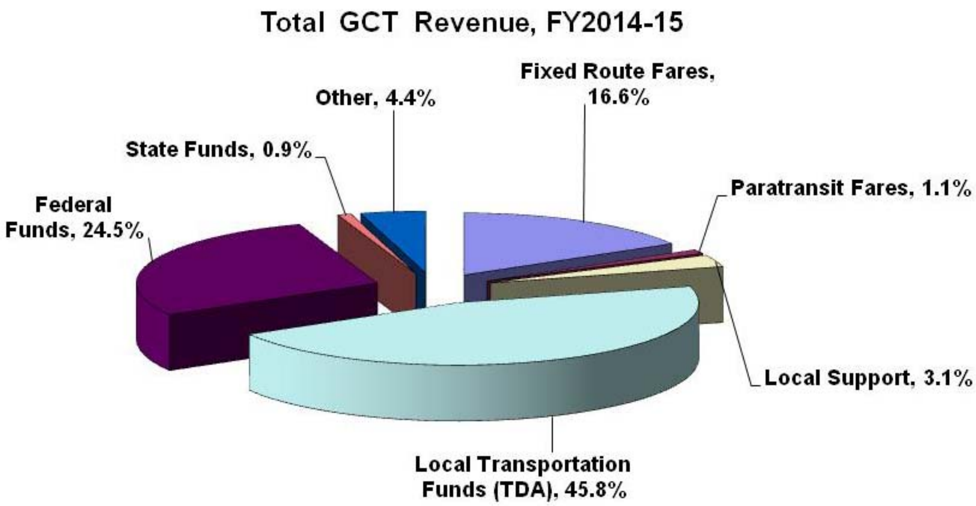
Medi-Cal Reimbursement – The District receives through Ventura County Public Health partial reimbursement under the Medi-Cal Administrative Activities (MAA) program for providing Medi-Cal eligible trips on the District's ACCESS service. Funding is based on establishing eligibility on a trip-by-trip basis and is received in arrears. In FY 2014-15 the District realized $254,350 from this program for services provided in a prior year as the District was unable to accrue an amount based on the Medi-Cal reimbursement formula. This revenue item is included in the Paratransit passenger fare revenue.

Federal Alternative Fuel Excise Tax Credit – The District received $491,009 for tax year 2014 through December 31, 2014, when the tax credit once again expired.

Energy Credit Revenue – Commencing in FY 2014-15 the District generates and sells both Low Carbon Fuel Standard (LCFS) credits (State of California) and Renewable Identification Number (RIN) credits (U.S. EPA) from its use of natural gas to fuel the District's transit fleet. In FY 2014-15 the District realized $87,066 from the first nine months of this program. It is anticipated that the market for LCFS credits will increase as the program evolves.

Interest and Other Income – Interest is earned on temporary investments with the State of California Local Agency Investment Fund (LAIF) and on money market funds held at Union Bank. The District earned $12,449 in interest in FY 2014-15. Other income consists primarily of the sale of miscellaneous surplus property and is largely unanticipated activity. The District earned $33,489 in other income in FY 2014-15

The following chart shows the major sources of operating and non-operating revenues for the year ended June 30, 2015, as a percentage of total revenues.



Expenses

A summary of expenses for the year ended June 30, 2015, including the amount and percentage of change in relation to prior year amounts, is as follows:

	2015	Percentage of Total	2014	Increase (Decrease)	% Increase (Decrease)
Operating expenses:					
Vehicle operation	$ 10,801,217	49.6%	$ 10,431,838	$ 369,379	3.5%
Vehicle maintenance	2,905,453	13.3%	2,917,575	(12,122)	-0.4%
Planning and marketing	737,643	3.4%	722,554	15,089	2.1%
Operations and administration	2,279,444	10.5%	1,947,331	332,113	17.1%
Paratransit	2,657,691	12.2%	2,512,184	145,507	5.8%
Operating expenses before depreciation	19,381,448	89.0%	18,531,482	849,966	4.6%
Depreciation	2,405,787	11.0%	2,519,756	(113,969)	-4.5%
Total operating expenses	$ 21,787,235	100%	$ 21,051,238	$ 735,997	3.5%

Fixed Route costs for FY 2014-15 were 3.5% higher than in FY 2013-14. Cost drivers were higher fuel expense as a result of an accounting change for the alternative fuel tax, a 4% wage increase and a 1.3% increase in fixed route service hours (wages, benefits and fuel) as well as higher workers' compensation costs. Without the GASB No. 68 adjustment, the cost increase for fixed route service would have been 5.5%.

Maintenance costs for FY 2014-15 were 0.4% lower than in FY 2013-14. Recent staffing turnover has minimized wage increases and kept labor costs lower, with modest cost increases for supplies, contract services and maintaining the CNG station. Without the GASB No. 68 adjustment, costs for maintenance would have increased 1.2%.

Administration Department costs for FY 2014-15 were 14.0% higher than in FY 2013-14, primarily driven by increased labor costs as the result of having added a number of new positions to create the infrastructure to support the District's growth. These positions included a dedicated Human Resources Director and Human Resources Assistant as well as a dedicated IT Manager.

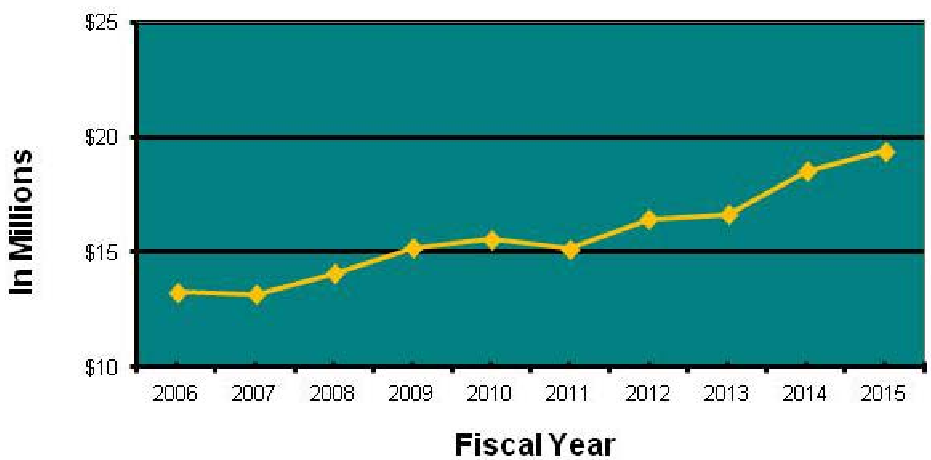
Planning and Marketing department costs for FY 2014-15 were 12.6% higher than in FY 2013-14, primarily driven by increased contract services costs resulting of a number of projects implemented to improve overall District productivity, upgrading our capability to manage scheduling data, fare collection data, ridership data and fare media sales data.

Paratransit operations costs for FY 2014-15 were 5.8% higher than in FY 2013-14, primarily driven by increased contracted operations costs as the result of the provision of additional service as well as a small contractual unit cost increase. Fuel costs also increased as a result of an accounting change for the alternative fuel tax.

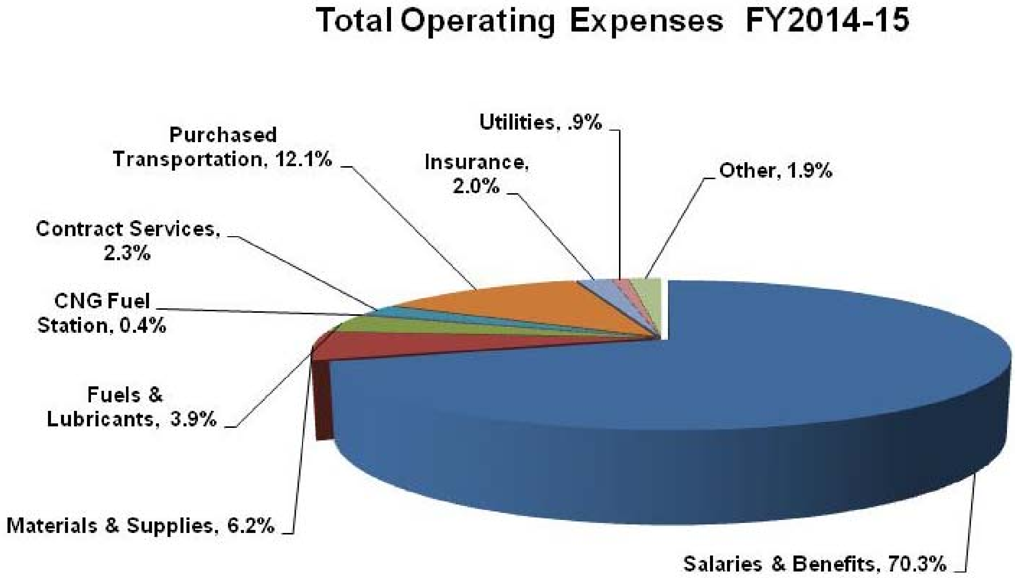
The 4.5% decrease in depreciation expense is the result of assets having reached their fully-depreciated useful life, while the largest asset the District added was land for its new facility, which is not depreciable.

Total operating expenses before depreciation were 4.6% higher than the previous year. The following chart shows operating expense trends over a ten-year period.

District Operating Expense - from 2006 to 2015



The following chart shows major cost categories and the percentage of operating expenses for the year ended June 30, 2015:



Financial Statements

The District's basic financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles promulgated by the Government Accounting Standards Board. The District is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and (except for land and construction in progress) depreciated over their estimated useful lives. See the notes to the basic financial statements for a summary of the District's significant accounting policies.

Capital Asset Acquisition

During FY 2014-15, the District added $9,478,393 in capital additions. The most notable capital addition was $8,659,193 for a 15 acre property in North Oxnard, purchased in July 2014, on which the District plans to build a new Operations and Administration Facility scheduled to open in 2017. Other capital additions include $256,258 for four (4) new MV-1 Paratransit vehicles, $350,394 to replace the Automated Passenger Counting (APC) systems on our fixed route fleet, $75,701 for a Point-of-Sale system for fare media sales at our Customer Service Center (CSC), $107,364 for an office trailer to address overcrowded conditions at our current facility, and $29,483 for a new Honda Civic service vehicle.

Capital asset acquisitions are capitalized at cost. Acquisitions are typically funded primarily using federal grants with matching local funds. The District also receives state grants from the Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and Safety and Security programs, both of which may be used to match federal funds but neither of which require matching funds. With several capital projects currently underway, including design of the new Operations and Administration Facility, the District closed the year with $3,042,653 in Construction-in-Process.

Additional information on the District's capital assets can be found in the notes to the financial statements**.**

Economic and Strategic Factors

FY 2014-15 was Gold Coast Transit District's first complete year as a Transit District, having been formed as the successor to the joint powers authority (JPA) agency effective July 1, 2014. The District looks ahead toward an exciting future; Local Transportation Funds continue to increase, momentum for alternative funding sources for California transit public transit is on the rise with the implementation of state cap-and-trade funding programs, and the District has nearly completed the planning phase of its new Operations and Administration facility.

On July 28, 2014, the District completed the purchase of a 15-acre site in North Oxnard, on the corner of Auto Center Drive and Paseo Mercado, on which we are planning to construct the District's new and larger Operations and Administration facility. The District accumulated over $25 million in direct grant funds for the project. During FY 2014-15 the District took actions toward acquiring the remaining funds needed to complete the $52.1M project; the District applied for a Department of Transportation 2015 Transportation Investment Generating Economic Recovery (TIGER) grant and is awaiting the award announcement. The District, in FY 2014-15, also entered into an agreement with the California Transit Finance Corporation (CTFC) to issue Certificates of Participation (COPs) to provide the remaining funds. In August 2015 Moody's assigned an initial A2 rating to the District's proposed COP issue.

Local Transportation Funds continue to recover from the economic downturn. Starting in FY 2014-15, the District directly receives all LTF funds allocated to its members' jurisdictions. Excluding a non-recurring supplemental allocation of $2.27M received in FY 2014-15, LTF funds allocated to the District's member jurisdictions increased 33% from FY 2010-11 to FY 2014-15 and are projected to increase 7.5% in FY 2015-16.

The District continues to benefit from a low natural gas commodity market resulting from the District's use of compressed natural gas (CNG) for all of its bus and paratransit fleet and most of its service vehicles. The District owns and operates its compression station. Additionally, in FY 2014-15 the District contracted with GHI Energy, a third-party provider that provides the District a discount from the published commodity price and administers the District's sale of Low Carbon Fuel Standard (LCFS) credits (State of California) and Renewable Identification Number (RIN) credits (U.S. EPA) generated from its use of natural gas.

At the end of FY 2014-15, eleven (11) of the District's 54 fixed route buses in service were scheduled for replacement within the next four years. The District is replacing those eleven buses and acquiring two additional buses using a combination of federal and state grant funds to cover 100% of the cost. At the start of FY 2015-16, the District had taken delivery of eight of our new 40-foot Gillig buses, with five more scheduled for delivery next summer.

Additionally, all 24 of our paratransit vans were scheduled for replacement. The District is replacing all 24 using state grant funds to cover 100% of the cost. As of October 2015, the District has taken delivery of eight MV-1 paratransit vans, with the remaining sixteen vehicles scheduled to be replaced over the next two years.

The District has in place a Memorandum of Understanding (MOU) with Service Employees International Union (SEIU) Local 721, which represents approximately 80% of the District's employees, providing labor cost certainty through November 2017.

The District has historically carried no long-term debt and has funded its relatively modest other post-employment benefits (OPEB) obligations by participating in the California Employers' Retiree Benefit Trust Fund (CERBT). The District ended FY 2014-15 with a capital reserve in excess of six million dollars and a reasonable cash position backed up by a one million dollar line of credit with MUFG Union Bank. This will be changing in FY 2015-16. As the District prepares in FY 2015-16 to issue Certificates-of-Participation to fund the completion of the new facility, the District enters this new era in a relatively strong financial position.

The economic environment for the District has improved over the past several years, although in general funding for public transit continues to lag demand for services. Local Transportation Fund revenues have recovered from the economic downturn years. The State Transit Assistance (STA) program continues to be a stable funding source from which The District receives a small but consistent level of funding. The Federal government's current transit funding authorization bill, MAP-21, expired in 2014 and has been running on continuing resolutions ever since. A new authorization bill is presently making its way through Congress, but in its current form it offers little more than status quo funding levels. The best hope for increased funding for California transit is the potential use of cap-and-trade funds. There is currently a special session of the California Legislature convened to address sustainable transportation infrastructure funding, and a number of promising options for transit are being explored.

The demand for transit services in western Ventura County continues to increase. For the second consecutive year, in FY2014-15 the District's ridership was the highest in its history. For many years the District and its predecessors were constrained from growth by the limitations of both its facility and its revenue. Increased revenue, primarily from access to additional LTF funds as a special district, has allowed the District to proceed with debt funding to complete a new facility to prepare for future growth. Without new or additional revenue streams, the District will be challenged to increase the level of service we are now able to provide to the people of Western Ventura County.

In the past few years, the District has undertaken several initiatives to increase revenues, such as on-board advertising sales, reimbursement for Medi-Cal eligible paratransit transportation and the sale of low carbon and renewal fuel credits. The District will continue to aggressively seek revenue opportunities from initiatives such as these; they are increasingly important but are not typically of the scale necessary to impact the growing imbalance between transit demand and transit funding in our service area. Ventura County is the most populated county in California that does not have a dedicated transit tax. The District's future growth and the expansion and improvement of Ventura County transit services overall continues to search for an increased commitment from our citizens.

Requests for Information

This financial report is designed to provide the District's members, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Steve Rosenberg, Director of Finance and Administration, at Gold Coast Transit District, 301 E. Third St., Oxnard, California, 93030-6048.

BASIC FINANCIAL STATEMENTS

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Gold Coast Transit District
Balance Sheet
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and cash equivalents (note 2)	$ 12,430,280
Accrued interest receivable	6,078
Accounts receivable – federal funding	2,207,296
Accounts receivable – other	196,610
Materials and supplies inventory	639,359
Prepaid items	51,848
Total current assets	15,531,471
Non-current assets:	
Net other post-employment benefits asset (note 3)	33,964
Capital assets, net (note 4)	22,375,098
Total non-current assets	22,409,062
Total assets	37,940,533
Deferred outflows of resources:	
Employer contributions to pension plan made after the measurement date (note 8)	1,301,199
Total assets and deferred outflows of resources	$ 39,241,732
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
Current liabilities:	
Accounts payable and accrued expenses (note 5)	$ 1,285,984
Unearned – other revenues	432,870
Unearned – local transportation funding (note 6)	5,368,692
Long-term liabilities – due within one year:	
Compensated absences (note 7)	318,980
Total current liabilities	7,406,526
Long-term liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences (note 7)	318,980
Net pension liability (note 8)	7,776,333
Total long-term liabilities	8,095,313
Total liabilities	15,501,839
Deferred inflows of resources:	
Differences between projected and actual earnings on pension plan investments (note 8)	2,338,334
Net position: (note 9)	
Net investment in capital assets	22,375,098
Restricted for capital acquisitions (note 10)	6,562,550
Unrestricted	(7,536,089)
Total net position	21,401,559
Total liabilities, deferred inflows of resources and net position	$ 39,241,732

See accompanying Notes to the Financial Statements.

Gold Coast Transit District
Statement of Revenues, Expenses and Change in Net Position
For the Fiscal Year Ended June 30, 2015

Operating revenues:	
Passenger fares:	
Fixed route	$ 3,561,258
Paratransit	461,725
Total operating revenues	4,022,983
Operating expenses:	
Vehicle operation	10,801,217
Vehicle maintenance	2,905,453
Planning and marketing	737,643
Operations and administration	2,279,444
Paratransit	2,657,691
Total operating expenses	19,381,448
Operating (loss) before depreciation	(15,358,465)
Depreciation:	
Capital assets – operations	2,405,787
Total depreciation	2,405,787
Operating (loss)	(17,764,252)
Non-operating revenues(expenses) and transfers:	
Local transportation funding	8,869,456
Federal funding – operating grants	5,469,611
State funding – operating grants	174,425
Interest earnings	12,449
Advertising revenue	220,960
Transfer to Prop. 1B grant fund (note 11)	(31,578)
Other, net	611,564
Total non-operating revenues, net and transfers	15,326,887
(Loss) before capital contributions	(2,437,365)
Capital contributions:	
Federal capital grants	9,038,871
State capital grants	2,397,758
Local capital grants	2,610,654
Total capital contributions	14,047,283
Change in net position	11,609,918
Net position:	
Beginning of year	18,919,154
Prior period adjustment (note 12)	(9,127,513)
End of year	$ 21,401,559

See accompanying Notes to the Financial Statements.

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Gold Coast Transit District
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

Cash flows from operating activities:	
Receipts from passenger fares – fixed route	$ 3,497,993
Receipts from passenger fares – paratransit	461,725
Payments to employees for salaries and wages	(9,265,697)
Payments to vendors for materials and services	(10,590,288)
Net cash (used in) operating activities	(15,896,267)
Cash flows from non-capital financing activities:	
Proceeds from local transportation funding	11,180,947
Proceeds from federal funding – operating grants	3,329,553
Proceeds from state funding – operating grants	174,425
Transfer of cash to Prop. 1B grant fund	(8,146,980)
Other non-operating revenue, net	734,496
Net cash provided by non-capital financing activities	7,272,441
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(11,567,377)
Proceeds from federal capital grants	9,267,160
Proceeds from state capital grants	2,397,758
Proceeds from local capital grants	2,610,654
Net cash provided by capital and related financing activities	2,708,195
Cash flows from investing activities:	
Interest earnings	10,971
Net cash provided by investing activities	10,971
Net (decrease) in cash and cash equivalents	(5,904,660)
Cash and cash equivalents:	
Beginning of year	18,334,940
End of year	$ 12,430,280

See accompanying Notes to the Financial Statements.

Gold Coast Transit District
Statement of Cash Flows (Continued)
For the Fiscal Year Ended June 30, 2015

Reconciliation of operating (loss) to net cash (used in) operating activities:	
Operating (loss)	$ (17,764,252)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:	
Depreciation	2,405,787
Change in assets – (increase)decrease:	
Accounts receivable – other	(7,894)
Materials and supplies inventory	6,140
Prepaid items	(9,234)
Net other post-employment benefits asset	852
Change in deferred outflows of resources – (increase)decrease:	
Employer contributions to pension plan made after the measurement date	(109,019)
Change in liabilities – increase(decrease):	
Accounts payable and accrued expenses	(181,160)
Compensated absences	22,910
Unearned revenue	(55,371)
Net pension liability	(2,543,360)
Change in deferred inflows of resources – increase(decrease):	
Differences between projected and actual earnings on pension plan investments	2,338,334
Total adjustments	1,867,985
Net cash (used in) operating activities	$ (15,896,267)
Non-cash investing, capital and financing transactions:	
Change in fair-value of investments	$ (4,330)

See accompanying Notes to the Financial Statements.

Gold Coast Transit District
Statement of Fiduciary Net Position
June 30, 2015

	Expendable Trust Funds		
ASSETS	**Local Transportation Fund**	**Prop. 1B Grant Fund**	**Total Fiduciary Funds**
Current assets:			
Cash and cash equivalents (note 2)	-	$ 8,227,653	$ 8,227,653
Total assets	-	$ 8,227,653	$ 8,227,653
LIABILITIES AND NET POSITION			
Current liabilities:			
Unearned revenue	-	$ 8,227,653	$ 8,227,653
Total liabilities	-	8,227,653	8,227,653
Net position:			
Restricted	-	-	-
Total net position	-	-	-

See accompanying Notes to the Financial Statements.

Gold Coast Transit District
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2015

	Expendable Trust Funds		
	Local Transportation Fund	Prop. 1B Grant Fund	Total Fiduciary Funds
Additions:			
Local transportation funding	$ 16,666,708	-	$ 16,666,708
Prop. 1B grant funding	-	2,347,026	2,347,026
Transfer from operating fund (note 11)	-	31,578	31,578
Interest earnings	-	19,154	19,154
Total additions	16,666,708	2,397,758	19,064,466
Deductions:			
Claims paid to claimants:			
City of Ojai	108,791	-	108,791
City of Oxnard	800,003	-	800,003
City of Port Hueneme	124,501	-	124,501
City of San Buenaventura	250,006	-	250,006
County of Ventura	1,599,193	-	1,599,193
Gold Coast Transit District	13,784,214	2,397,758	16,181,972
Total deductions	16,666,708	2,397,758	19,064,466
Change in net position	-	-	-
Net Position:			
Beginning of year	-	-	31,578
End of year	-	-	31,578

See accompanying Notes to the Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS

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Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Description of the Reporting Entity

The principal business activity of Gold Coast Transit District (District) is to provide public transportation service to customers in the geographic area known as western Ventura County located in Southern California. As of July 1, 2014, Gold Coast Transit became known as Gold Coast Transit District.

The District was previously a joint powers authority created in 1973 by the Cities of Ojai, Oxnard, Port Hueneme and San Buenaventura for the purpose of operating a public transportation system within and about western Ventura County. Subsequent to the initial creation of the agency, the City of Santa Paula and County of Ventura were added as participating members. Each of these governments is represented on the District's Board of Directors.

On October 5, 1994, the City of Santa Paula withdrew from the joint powers authority agreement and surrendered its representation on the Board of Directors. Santa Paula's member equity was reallocated to the other members during the fiscal year ended June 30, 1995.

Basis of Accounting, Measurement Focus and Financial Reporting

The Financial Statements (i.e., the balance sheet, the statement of revenues, expenses and changes in net position, and statement of cash flows) report information on all of the activities of the primary government. The District accounts for its operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Financial Statements are reported using the *"economic resources"* measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

> **Deferred Outflows of Resources** represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.
>
> **Deferred Inflows of Resources** represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as *operating income* in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Reporting (Continued)

The District reports the following funds:

Operating Fund accounts for all revenues and other receipts that are not allocated by law or contractual agreements to some other funds to be accounted for in this fund. General operating costs and capital improvement costs which are not paid through other funds, are paid from this fund.

Fiduciary Funds:

Local Transportation Fund is used to account for local transportation funding (Article No. 4) received by the County of Ventura from the State of California and then subsequently distributed to the District and its member entities based on their requested appropriation throughout the fiscal year.

Proposition 1B Grant Fund is used to account for all advanced grant funding received by the District from the State of California Proposition 1B funds for the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Safety and Security programs.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities they also include disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

Cash and Investments

The District maintains its cash and investments in accordance with an investment policy adopted by its Board of Directors. The investment policy is more restrictive than applicable state statutes. The District's investment policy authorizes investments in securities of the U.S. government or its agencies (i.e., Treasury notes or bonds), certificates of deposit, the Ventura County Pooled Investment Fund (VCPIF) and the State of California Local Agency Investment Fund (LAIF). LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer's Office with oversight provided by the Local Agency Investment Advisory Board. Oversight of the VCPIF is conducted by the Ventura County Treasury Oversight Committee.

LAIF and the VCPIF are carried at fair value based on the value of each participating dollar as provided by the LAIF and VCPIF, respectively. The fair value of District's position in the LAIF and VCPIF is the same as the value of the pooled shares. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the District's deposits with the bank in accordance with the Code.

Materials and Supplies Inventory

Materials and supplies inventory consists primarily of bus replacement parts, supplies for vehicle maintenance, spare components, vehicle fuel and oil. Inventory is valued at cost using a weighted average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed.

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Prepaid Items

Certain payments to vendors reflects costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at $5,000. Donated assets are recorded at estimated fair market value at the date of donation. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Revenue vehicles – fixed route – 10 to 12 years
Facilities – 15 to 30 years
Equipment and furniture – 3 to 10 years
Revenue vehicles – paratransit – 4 to 5 years
Paratransit equipment – 3 to 5 years

Compensated Absences

District policy is to permit employees to accumulate earned vacation and sick leave. Accumulated vacation time is accrued at year-end to account for the District's obligation to the employees for the amount owed. Sick leave can be accumulated, but, under District policy, is not paid until termination or retirement with a minimum of ten years of service. Payment shall be made in an amount of 50% of accrued sick leave upon termination, retirement or death of the employee. Accordingly, 50% of the accumulated sick leave is accrued at year-end to account for the District's obligation to qualified employees for the amount owed.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 8). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

CalPERS	
Valuation date	June 30, 2013
Measurement date	June 30, 2014
Measurement period	July, 1, 2013 to June 30, 2014

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Unearned – Local Transportation Funding

Authorized and received Local Transportation Funds that exceed current year expenditure requirements are deferred to future periods.

Grant Funding

Grants for operating assistance and capital acquisitions are included in their respective non-operating and capital contribution sections of the statement of revenues, expenses and changes in net position. Grant funds are claimed on a reimbursement basis and receivables for grant funds are recorded as the related obligations are incurred. Grant funds advanced but not yet earned are treated as unearned revenue until the respective obligations these grants were funded for are incurred.

Non-Operating Revenues and Capital Contributions

The District receives Local Transportation Funds (LTF) under provisions of the State of California's Transportation Development Act of 1971. This act provides that a portion of state sales tax proceeds be made available for support and development of public transportation. These funds are generated within Ventura County and are allocated based on annual claims filed by the District and approved by the Ventura County Transportation Commission (VCTC). A portion of these proceeds (at the discretion of the District's Board of Directors) is set aside to fund capital acquisitions and is classified as local capital grants in the capital contribution section of the statement of revenues, expenses and changes in net position. The remaining portion of local transportation funding is used to subsidize current operations and is included in the non-operating revenue section of the statement of revenues, expense and changes in net position.

Under provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21) signed into law on July 6, 2012, Federal planning and capital assistance grants (under Section 5307) are made available to local urbanized mass transportation systems on a formula basis. Federal operating and matching grants provided to the District under this act are included in the non-operating revenue section of the statement of revenues, expenses and changes in net position.

Federal, state and local operating grants are included in the non-operating revenue section of the statement of revenues, expenses and changes in net position.

Federal, state and local capital grants are reported in the capital contribution section of the statement of revenues, expenses and changes in net position.

Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

> *Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets.

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Net Position (Continued)

Restricted Net Position – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component of net position consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

Accounting Changes

GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27).* This Statement establishes standards for measuring and recognizing liabilities, deferred outflow of resources, deferred inflows of resources, and expense/expenditures for pension plans. This Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This statement became effective for periods beginning after June 15, 2014. See note 9 and 14 for the net pension liability and the prior period adjustment, respectively, as a result of the implementation.

GASB has issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations This statement became effective for periods beginning after December 15, 2013 and did not have a significant impact on the District's financial statements for year ended June 30, 2015.

GASB has issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement establishes standards relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement became effective for periods beginning after June 15, 2014. See note 9 and 14 for the net pension liability and the prior period adjustment, respectively, as a result of the implementation.

Note 2 – Cash and Investments

Cash and cash equivalents as June 30, 2015 are classified in the accompanying financial statements as follows:

Cash and cash equivalents	$ 12,430,280
Cash and cash equivalents – statement of fiduciary net position	8,227,653
Total	$ 20,657,933

Note 2 – Cash and Investments (Continued)

Cash and cash equivalents as of June 30, consist of the following:

Cash on hand	$	33,585
Deposits held with financial institutions		10,757,702
Deposits held with California Local Agency Investment Fund (LAIF)		3,307,836
Deposits held with the Ventura County Pooled Investment Fund (VCPIF)		6,558,810
Total	$	20,657,933

Authorized Deposits and Investments

The District's investment policy only authorizes investments in the local government investment pools administered by the Ventura County Treasurer (VCPIF) and the State of California (LAIF). The District's investment policy does not contain any specific provisions intended to limit The District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Investment in State Investment Pool

The District is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The District's investments with LAIF at June 30, 2015, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

> *Structured Notes*: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.
>
> *Asset-Backed Securities*: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2015, the District had $3,307,836 invested in LAIF, which had invested 2.08% of the pool investment funds in Structured notes and Medium-term Asset-backed Securities. The LAIF fair value factor of 1.000375979 was used to calculate the fair value of the investments in LAIF.

Ventura County Pooled Investment Fund

The District is a voluntary participant in the VCPIF and the District determines the amount and term of its investment. The County Treasurer makes investments in accordance with a Statement of Investment Policy reviewed and approved annually by the Board of Supervisors. The Treasury Investment Oversight Committee comprised of the County Treasurer, a representative of the Board of Supervisors, the County Investment Manager, a representative of the County Superintendent of Schools and other Treasury Department support staff meets semi-annually to review the activities of the Treasurer and provide a report to the Board of Supervisors. The County's Treasurer has indicated to the District that as of June 30, 2015 that the value of the County's portfolio was approximately $2.0 billion.

Note 2 – Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the District's bank balances, up to $250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and VCPIF).

Investments	Credit Rating	Fair Value	Maturity 12 Months or Less
Local Agency Investment Fund (LAIF)	Not Rated	$ 3,307,836	$ 3,307,836
Ventura County Pooled Investment Fund (VCPIF)	AAAf/S1+	6,558,810	6,558,810
Total investments		$ 9,866,646	$ 9,866,646

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has the greater its fair value has sensitivity to changes in market interest rates. District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2015, the District's investment in the VCPIF was rated by Standard & Poor's as AAAf/S1+. LAIF is not rated.

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. The District's deposit portfolio with governmental agencies, LAIF and VCPIF, are 16% and 31% as of June 30, 2015 of the District's total depository and investment portfolio. There were no investments in any one non-governmental issuer that represent 5% or more of the District's total investments.

Note 3 – Other Post-Employment Benefits Asset

The District provides retiree healthcare benefits for employees who retire with CalPERS pension benefits immediately upon retirement from the District. The District's plan is a single-employer plan. Eligible retirees and dependents may elect lifetime coverage through the District's healthcare plans. The District pays a portion of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. Retirees pay the portion of premium not paid by the District.

The District has elected to use the entry age normal cost method with unfunded liabilities amortized over 30 years, and continues to fund on a pay-as-you-go basis.

Membership in the OPEB plan consisted of the following members as of June 30:

	2015	2014	2013
Active plan members	191	173	171
Retirees and beneficiaries receiving benefits	11	11	11
Separated plan members entitled to but not yet receiving benefits	66	68	63
Total plan membership	268	252	245

Funding Policy

The contribution requirements are established and amended by the District. The contribution is based on pay-as-you-go financing requirements. For the year ended June 30, 2015, the District contributed $76,416 to the CERBT irrevocable trust and $10,480 as the pay-as-you-go portion.

Annual OPEB Cost and Net OPEB Obligation/(Asset)

The District's annual Other Postemployment Benefit (OPEB) cost is calculated based on the *Annual Required Contribution of the Employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the past three years, the amount actually contributed to the plan, and changes in the District's net OPEB Obligation/(Asset) to the Plan.

Note 3 – Other Post-Employment Benefits Asset (Continued)

	2015	2014	2013
Annual OPEB expense:			
Annual required contribution (ARC)	$ 86,896	$ 84,570	$ 89,984
Interest on net OPEB obligation	-	-	4,174
Adjustment to annual required contribution	-	-	-
Total annual OPEB expense	86,896	84,570	94,158
Contributions made:			
Contributions made to irrevocable trust	(76,416)	(74,785)	(169,868)
Inerset earnings on irrevocable trust balance, net	852	(34,816)	-
Retiree benefit payments paid outside of a trust	(10,480)	(9,785)	(7,760)
Total contributions made	(86,044)	(119,386)	(177,628)
Total change in net OPEB payable obligation	852	(34,816)	(83,470)
Net other post-employment benefits payable(asset):			
Beginning of year	(34,816)	-	83,470
End of year	$ (33,964)	$ (34,816)	$ -

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2015 plus the two preceding years were as follows:

Three-Year History of Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Contributions Made to Trust	Retiree Benefit Payments	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation Payable(Asset)
June 30, 2015	$ 86,896	$ 76,416	$ 10,480	100.00%	$ (33,964)
June 30, 2014	84,570	74,785	9,785	100.00%	(34,816)
June 30, 2013	94,158	169,868	7,760	188.65%	-

Funded Status and Funding Progress

As of July 1, 2013, the Actuarial Accrued Liability for benefits was $661,878, and the actuarial value of assets was $170,963, resulting in an UAAL of $490,915. The covered payroll (annual payroll of active employees covered by the plan) was $8,341,676 and the ratio of UAAL to the covered payroll was 5.89 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the Actuarial Accrued Liabilities for benefits.

Note 3 – Other Post-Employment Benefits Asset (Continued)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For June 30, 2015 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions include a 7.25% discount rate, 3.00% inflation rate, and an annual healthcare cost trend rate of 4.0% per year. The UAAL is being amortized as level percentage of future payroll on a 30 year closed amortization period.

Note 4 – Capital Assets

During fiscal year 2015, the District added $8,659,193 in a non-depreciable asset of land for the new transit facility and $2,908,184 in construction–in-process or depreciable capital asset additions. The changes in capital assets for the year ended June 30, 2015 were as follows:

	Balance July 1, 2014	Additions	Deletions/ Transfers	Balance June 30, 2015
Non-depreciable assets:				
Land	$ 300,298	$ 8,659,193	$ -	$ 8,959,491
Construction-in-process	953,669	2,908,184	(819,200)	3,042,653
Total non-depreciable assets	1,253,967	11,567,377	(819,200)	12,002,144
Depreciable assets:				
Revenue vehicles – fixed route	21,542,653	-	-	21,542,653
Facilities	6,645,151	107,364	-	6,752,515
Equipment and furniture	3,643,973	455,578	(105,709)	3,993,842
Intangible assets	39,401	-	-	39,401
Paratransit revenue vehicles	2,220,253	256,258	-	2,476,511
Paratransit equipment	166,576	-	-	166,576
Total depreciable assets	34,258,007	819,200	(105,709)	34,971,498
Accumulated depreciation				
Revenue vehicles – fixed route	(12,587,507)	(1,604,402)	-	(14,191,909)
Facilities	(5,254,338)	(490,955)	-	(5,745,293)
Equipment and furniture	(2,039,146)	(301,675)	105,709	(2,235,112)
Intangible assets	(30,646)	(8,755)	-	(39,401)
Paratransit revenue vehicles	(2,220,253)	-	-	(2,220,253)
Paratransit equipment	(166,576)	-	-	(166,576)
Total depreciation	(22,298,466)	(2,405,787)	105,709	(24,598,544)
Total depreciable assets	11,959,541	(1,586,587)	-	10,372,954
Total capital assets, net	$ 13,213,508	$ 9,980,790	$ (819,200)	$ 22,375,098

Note 5 – Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses balance consists of the following amounts:

Accounts payable	$ 1,019,634
Accrued wages and benefits	266,350
	$ 1,285,984

Note 6 – Unearned – Local Transportation Funding

In accordance with Transportation Development Act statutes and the California Code of Regulations, Title 21, Chapter 3, Subchapter 2, Article 5, Section 6649(b), Local Transportation Funds (LTF) received for operating assistance in excess of the amount that the District is eligible to receive is recorded as an unearned revenue and is to be recognized as revenue and a reduction of eligible LTF during the following fiscal years:

Year Received	Amount Authorized	Unearned LTF Amount	Year to be Recognized
2013-2014	$ 10,501,766	$ 1,754,483	2015-2016
2014-2015	$ 13,784,223	$ 3,614,209	2016-2017
		$ 5,368,692	

Note 7 – Compensated Absences

Compensated absences comprise unpaid vacation leave, sick leave and compensating time off which is accrued as earned. The District's liability for compensated absences is determined annually. Changes in the compensated absences balance for the fiscal year ended June 30, 2015 is as follows:

Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
$ 615,050	$ 881,323	$ (858,413)	$ 637,960	$ 318,980

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability

Type of Account	Balance as of July 1, 2014 (As Restated)	Additions	Deletions	Balance as of June 30, 2015
Deferred Outflows of Resources:				
Employer contributions to pension plan made after the measurement date:	$ 1,192,180	$ 1,301,199	$ (1,192,180)	$ 1,301,199
Total deferred outflows of resources	$ 1,192,180	$ 1,301,199	$ (1,192,180)	$ 1,301,199
Net Pension Liability:				
CalPERs – Miscellaneous Classic Plan	$ 10,319,693	$ -	$ (2,543,360)	$ 7,776,333
Total net pension liability	$ 10,319,693	$ -	$ (2,543,360)	$ 7,776,333
Deferred Inflows of Resources:				
Recognized net differences between projected and actual earnings on pension plan investments:	$ -	$ 2,922,918	$ (584,584)	$ 2,338,334
Total deferred inflows of resources	$ -	$ 2,922,918	$ (584,584)	$ 2,338,334

General Information about the Pension Plans

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions under the Plan is established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website or may be obtained from their executive office: 400 P Street, Sacramento, CA, 95814. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.7% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. For employees hired on or after January 1, 2013, who are current members of CalPERS or a reciprocal agency as of December 31, 2012 and have not been separated from service from such agency for more than six months, the retirement benefit is 2.7% @ 55 years of age; highest single year of compensation. All other employees hired on or after January 1, 2013, the retirement benefit is 2.0% @ 62 years of age; 3 year final compensation.

However, California Assembly Bill (AB) 1222 (Chapter 527, Statutes 2013) was signed by Governor Brown on Friday, October 4, 2013. This bill exempted California transit employees of public employers from all of the provisions of the Public Employees' Pension Reform Act of 2013 (PEPRA), until January 1, 2015, or until a court determined that the provisions of PEPRA do not violate specified federal transit labor laws, whichever is sooner. This legislation allowed for a PEPRA exemption for eligible transit employees from public agencies subject to Section 13(c) of the Federal Transit Act.

The eventual decision in the State of California v. United States Department of Labor (E.D.Cal. Dec. 30, 2014, Civ. No. 2:13-cv-2069 KJM DAD) ended the exemption from the Public Employees' Pension Reform Act (PEPRA) for transit workers resulting from AB 1222 (codified in Gov't Code Section 7522.02, subsection (a)(3)).

In its December 30, 2014, decision, the court concluded that the U. S. Department of Labor erred in determining that PEPRA prevented certification under Section 13(c) of the Uniform Mass Transportation Act. Under Section 7522.02(a)(3)(A), the court's decision triggers the end of the exemption.

All transit employees with appointments starting on or after January 1, 2013 through December 29, 2014, were to retain their classic retirement benefits for that period of time. CalPERS created new transit employee PEPRA appointments using a December 30, 2014 effective date for those employees. All new members hired on or after December 30, 2014, will be subject to PEPRA retirement benefits.

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

General Information about the Pension Plan (Continued)

The District has engaged with CalPERS to administer the following pension plans for its employees (members).

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

	Miscellaneous Plans	
	Tier 1	**Tier 2**
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.0 @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8.00%	6.25%
Required employer contribution rates	14.967%	6.25%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2014 (the measurement date), the average active employee contribution rate is 7.893 percent of annual pay, and the employer's contribution rate is 14.967 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

As of the fiscal year ended June 30, 2015 the contributions for the Plan were as follows:

	Tier I
Contributions – employer	$ 1,192,180
Contributions – employee member	629,617
	$ 1,821,797

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2014, the total pension liability was determined by rolling forward the June 30, 2013 total pension liability. The June 30, 2013 and the June 30, 2014 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent, which is net of administrative expenses. An investment return excluding administrative expenses would have been 7.65 percent. Management has determined that using the lower discount rate has resulted in a slightly higher total pension liability and net pension liability and the difference was deemed immaterial to the financial statements. The long-term expected rate of return on pension plan investments was determined in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

Net Pension Liability (Continued)

Discount Rate (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10[1]	Real Return Years 11+[1]
Global Equity	47.00%	5.25%	5.71%
Blobal Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
	100.00%		

[1] An expected inflation of 2.5% and 3.0% used for Years 1-10 and Years 11+, respectively.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

Miscellaneous Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2013 (Valuation Date) (Note 12)	$ 39,622,992	$ 29,303,299	$ 10,319,693
Changes Recognized for the Measurement Period:			
Service Cost	1,439,195		1,439,195
Interest on the total pension liability	2,955,928		2,955,928
Changes of benefit terms	-		-
Difference between expected and actual experience	-		-
Changes of assumptions	-		-
Contributions from the employer		1,192,180	(1,192,180)
Contributions from employees		629,617	(629,617)
Net investment income, net of administrative expense		5,116,686	(5,116,686)
Benefit payments, including refunds of employee contributions	(1,860,423)	(1,860,423)	-
Net Changes during July 1, 2013 to June 30, 2014	2,534,700	5,078,060	(2,543,360)
Balance at June 30, 2014 (Measurement Date)	$ 42,157,692	$ 34,381,359	$ 7,776,333

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

Changes in the Net Pension Liability (Continued)

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50%) or 1 percentage-point higher (8.50%) than the current rate:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% (6.50%)	Current Discount Rate (7.50%)	Discount Rate + 1% (8.50%)
Miscellaneous Plan	$ 13,243,326	$ 7,776,333	$ 3,238,385

Pension Plan Fiduciary Net Position

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

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

For the measurement period ending June 30, 2014, the District incurred a pension expense (income) of $987,154 for the miscellaneous plan.

As of measurement date of June 30, 2014, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Employer contributions to pension plan made after the measurement date	$ 1,301,199	$ -	$ 1,301,199
Recognized net differences between projected and actual earnings on pension plan investments	-	(2,338,334)	(2,338,334)
Total Deferred Outflows/(Inflows) of Resources	$ 1,301,199	$ (2,338,334)	$ (1,037,135)
Less:			
Deferred Outflows/(Inflows) of Resources that will be recognized in the following fiscal year:			
Employer contributions to pension plan made after the measurement date	$ (1,301,199)	$ -	$ (1,301,199)
Total Deferred Outflows/(Inflows) of Resources amounts to be amortized in future periods	$ -	$ (2,338,334)	$ (2,338,334)

The District will recognize $1,301,199 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2016, as noted above.

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime ("EARSL") is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the Plan for the 2013-14 measurement period is 4.2 years, which was obtained by dividing the total service years of 1,577 (the sum of remaining service lifetimes of the active employees) by 377 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
2015	$ -	$ (584,584)	$ (584,584)
2016	-	(584,584)	(584,584)
2017	-	(584,584)	(584,584)
2018	-	(584,582)	(584,582)
2019	-	-	-
Thereafter	-	-	-
Total	$ -	$ (2,338,334)	$ (2,338,334)

Note 9 – Net Position

The following is a summary of changes in net position for the year ended June 30, 2015, as follows:

	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position	Net Position Total
Beginning of year	$ 13,213,508	$ 4,106,949	$ 1,598,697	$ 18,919,154
Net loss before capital contributions	-	-	(2,437,365)	(2,437,365)
Depreciation expense	(2,405,787)	-	2,405,787	-
Federal capital grants	9,038,871	-	-	9,038,871
State capital grants	2,397,758	-	-	2,397,758
Local capital grants	-	2,610,654	-	2,610,654
Capital asset acquisition matching	130,748	(123,475)	(7,273)	-
Transfer to Prop. 1A grant fund	-	(31,578)	31,578	-
Prior period adjustment – GASB No. 68/71	-	-	(9,127,513)	(9,127,513)
Change in net position	9,161,590	2,455,601	(9,134,786)	2,482,405
End of year	$ 22,375,098	$ 6,562,550	$ (7,536,089)	$ 21,401,559

Note 10 – Restricted Net Position

Local Transportation Funds granted for operating assistance, but are to be used, to purchase new buses, fareboxes, coach equipment, facility and other improvements as part of a service expansion program and related interest earnings included in restricted net position at June 30, 2015, are as follows:

Beginning of year	$ 4,106,949
Additions:	
Local transportation funding	2,523,267
Member transit facility capital grant	80,000
Local capital grants – interest earned	12,960
Deletions:	
Market valualtion of investment	(5,573)
Transfer to Prop. 1A grant fund	(31,578)
Capital acquisitions	(123,475)
Change in restricted net position	2,455,601
End of year	$ 6,562,550

Restricted assets associated with the restricted net position balance are reported in the accompanying financial statements as follows:

Restricted Assets	
Cash and cash equivalents – VCPIF	$ 6,558,810
Accrued interest receivable	3,740
Total restricted assets	$ 6,562,550

Note 11 – Transfer to Proposition 1B Grant Fiduciary Fund

With the establishment of Proposition 1B Grant Fund as a fiduciary fund in fiscal year 2015, the District transferred $31,578 from its operating fund to the Proposition 1B Grant Fund from prior years interest earnings on the Proposition 1B grant funds advanced in those prior years.

Note 12 – Prior Period Adjustment

With the implementation of GASB Statement No. 68 and 71 in fiscal year 2015, the District was required to record a prior period adjustment of $9,127,513 to establish the net pension liability as of June 30, 2014 of $10,319,693 net of the $1,192,180 of employer contributions to pension plan made after the measurement date as prescribed by GASB Statement No. 68 and 71 accounting standards. (See note 8 for further information on the net pension liability.)

Note 13 – Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in three 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors. Market value of the plan assets held with the trustees is as follows:

Nationwide	$ 1,453,511
Mass Mutual	802,626
ICMA Retirement Corp	992,370
Total	$ 3,248,507

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not presented in the accompanying financial statements.

Note 14 – Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased various insurance policies to manage the potential liabilities that may occur from the previously named sources.

The District participates in the California Transit Indemnity Pool (CalTIP), a joint powers agency created to provide liability and physical damage insurance to its members through an insurance pool. The District holds property insurance, general and automotive liability, and public officials' errors and omissions liability with CalTIP on a first dollar basis, up to $20 million on liability.

Note 14 – Risk Management (Continued)

The District purchases blanket insurance coverage from commercial brokers for the following:

Insurance coverage limits:		
CNG fueling station	$	3,943,100
Buildings and structures		3,156,030
Business and property		2,543,205
Boiler and machinery		8,957,600

The District's employee practices liability insurance coverage is $2.0 million and handled through Navigators Insurance. Also, the District participates in the California State Association of Counties Excess Insurance Authority (CSAC-EIA) a joint powers agency created to provide workers' compensation insurance to its members through a risk retention insurance pool. The District holds workers' compensation insurance coverage with CSAC-EIA up to statutory limits. Some of the above insurance policies are subject to various deductibles.

Settled claims have not exceeded any of the coverage amounts in any of the last five fiscal years and there were no reductions in the District's insurance coverage during those years. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR).

Note 15 – Commitments

Operating Lease

Beginning October 1, 2001, the District entered into a lease agreement with the City of Oxnard to rent office space in the Oxnard Transportation Center for customer service and administrative purposes. At the end of the lease, the District will have the option to extend the term of the lease. Interest will be accrued on rent due and unpaid. In 2011, the District extended the term of its lease. The base annual rent for the leased premises is as follows:

Fiscal Year	Amount
2016	$ 11,617

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Grant Funding

Grant funds received by the District are subject to review by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. The management of the District believes that such disallowances, if any, would not be significant.

Operating Fare Revenue Ratio

The District is required to maintain a ratio of fares to operating costs of at least 20% for either the combined service of fixed route and paratransit service or meeting the goals separately (i.e. 20% for fixed route and 10% for paratransit service) to continue to be eligible for Local Transportation Funds. For the year ended June 30, 2015, the District met this requirement with fares to operating costs ratio of combined service of 25.10% as calculated in the MD&A.

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REQUIRED SUPPLEMENTARY INFORMATION

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Gold Coast Transit District
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2015

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan

Measurement period	**2013-14[1]**
Total pension liability	
Service cost	1,439,195
Interest	2,955,928
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(1,860,423)
Net change in total pension liability	2,534,700
Total pension liability - beginning	39,622,992
Total pension liability - ending (a)	42,157,692
Pension fiduciary net position	
Contributions - employer	1,192,180
Contributions - employee	629,617
Net investment income[2]	5,116,686
Benefit payments, including refunds of employee contributions	(1,860,423)
Other	-
Net change in plan fiduciary net position	5,078,060
Plan fiduciary net position - beginning	29,303,299
Plan fiduciary net position - ending (b)	34,381,359
Plan net pension liability - ending (a) - (b)	7,776,333
Plan fiduciary net position as a percentage of the total pension liability	81.55%
Covered-employee payroll	7,827,241
Plan net pension liability as a percentage of covered-employee payroll	99.35%

[1] Historical information is required only for measurement periods for which GASB 68 is applicable.

[2] Net of administrative expenses.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after

Changes of Assumptions: There were no changes in assumptions.

Gold Coast Transit District
Required Supplementary Information (Unaudited)
Schedule of Contributions – Pension Plan
June 30, 2015

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan

	2014-15[1]	2013-14[1]
Actuarially determined contribution	$ 1,249,332	$ 1,192,180
Contributions in relation to the actuarially determined contribution[2]	(1,249,332)	(1,192,180)
Contribution deficiency (excess)	$ -	$ -
Covered-employee payroll[3, 4]	$ 8,062,058	$ 7,827,241
Contributions as a percentage of covered-employee payroll[3]	15.50%	15.23%

[1] Historical information is required only for measurement periods for which GASB 68 is applicable.

[2] Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

[3] Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

[4] Payroll from prior year $7,599,263 was assumed to increase by the 3.00 percent payroll growth assumption.

Notes to Schedule:

Valuation date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011

<u>Methods and assumptions used to determine contribution rates:</u>

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Remaining amortization period	18 years
Asset valuation method	15 year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll Growth	3.00%
Investment reate of return	7.50%, net of pension plan investment and administration expense, including inflation
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

Gold Coast Transit District
Required Supplementary Information (Unaudited)
Schedule of Funding Progress – Other Post-Employment Benefits Plan
June 30, 2015

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2013	$ 170,963	$ 661,878	$ 490,915	25.83%	$ 8,341,676	5.89%
July 1, 2011	-	1,197,250	1,197,250	0.00%	7,737,267	15.47%

Notes:

Funding progress is presented for the year(s) that an actuarial study has been prepared since the effective date of GASB Statement 45. Actuarial review and analysis of the post-employment benefits liability and funding status is performed every three years or annually, if there are significant changes in the plan. The next scheduled actuarial review and analysis of the post-employment benefits liability and funding status will be performed in fiscal year 2016, based on the year ending June 30, 2015, since the District is funding its irrevocable trust as required by CalPERS.

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STATISTICAL SECTION

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Gold Coast Transit District
Financial Ratios
June 30, 2013 to June 30, 2015

Current Ratio:

Measures the District's ability to meet short-term commitments by dividing current assets by current liabilities.

			Ratio
2015	Current Assets	$ 15,531,471	2.10:1
	Current Liabilities	$ 7,406,526	
2014	Current Assets	$ 19,413,868	1.41:1
	Current Liabilities	$ 13,743,038	
2013	Current Assets	$ 14,626,057	1.51:1
	Current Liabilities	$ 9,677,990	

Quick Ratio:

This variation of the current ratio is an indicator of the District's liquidity by including only those current assets that could be converted readily to cash and receivables due within 30 days.

			Ratio
2015	Cash and Cash Equivalents plus	$ 12,430,280	
	Receivables within 30 days	$ 2,409,984	2.00:1
	Current Liabilities	$ 7,406,526	
2014	Cash and Cash Equivalents plus	$ 18,334,940	
	Receivables within 30 days	$ 390,815	1.36:1
	Current Liabilities	$ 13,743,038	
2013	Cash and Cash Equivalents plus	$ 10,143,372	
	Receivables within 30 days	$ 3,317,823	1.39:1
	Current Liabilities	$ 9,677,990	

Debt Ratio:

Reflects the long-term solvency risk, in assessing the District's financial capacity to meet long-term debts and similar obligations, by dividing total liabilities by total assets.

			Ratio
2015	Total Liabilities	$ 15,501,839	40.86%
	Total Assets	$ 37,940,533	
2014	Total Liabilities	$ 13,743,038	42.10%
	Total Assets	$ 32,662,192	
2013	Total Liabilities	$ 9,677,990	33.30%
	Total Assets	$ 29,094,950	

Gold Coast Transit District
Revenues and Expenses - Ten Year Comparison
Fiscal Years 2006 to 2015

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Operations:					
Passenger Fares	$ 2,656,931	$ 2,798,083	$ 3,093,606	$ 3,206,142	$ 3,137,831
Operating Expenses	(13,286,822)	(13,153,516)	(14,059,872)	(15,187,284)	(15,557,202)
Depreciation Expense	(1,941,761)	(2,200,792)	(1,524,851)	(1,817,089)	(2,831,039)
Operating Loss	(12,571,652)	(12,556,225)	(12,491,117)	(13,798,231)	(15,250,410)
Non-operating Revenues:					
Local Transportation Funds	6,648,885	6,603,987	7,314,731	7,618,873	7,838,752
Other local funds	-	-	-	-	30,530
State Funds	59,643	180,151	80,270	245,741	66,989
Federal Funds	3,895,600	3,472,655	3,346,048	3,925,318	4,314,074
Interest Income	20,960	90,513	119,413	52,444	16,874
Other Income, net	4,803	8,127	105,805	138,766	152,152
Total, Non-operating	10,629,891	10,355,433	10,966,266	11,981,142	12,419,371
Net Loss	$ (1,941,761)	$ (2,200,792)	$ (1,524,851)	$ (1,817,089)	$ (2,831,039)

Operating Expenses - Actual Dollars Compared to Constant Dollars (over Ten Year Period)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Actual Dollars	$ 13,286,822	$ 13,153,516	$ 14,059,872	$ 15,187,284	$ 15,557,202
Constant Dollars (2004)	$ 12,191,651	$ 11,726,427	$ 11,890,851	$ 13,138,446	$ 13,341,023
CPI Percent Change	5.2%	2.9%	5.4%	-2.2%	0.9%
Index Number (1982=100)	211.1	217.3	229.0	223.9	225.9
Cumulative Percent	9.0%	12.2%	18.2%	15.6%	16.6%

Gold Coast Transit District
Revenues and Expenses - Ten Year Comparison (Continued)
Fiscal Years 2006 to 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Operations:					
Passenger Fares	$ 3,041,669	$ 3,303,563	$ 3,148,100	$ 3,714,914	$ 4,022,983
Operating Expenses	(15,141,244)	(16,404,321)	(16,642,267)	(18,531,482)	(19,381,448)
Depreciation Expense	(3,054,738)	(3,016,832)	(2,924,100)	(2,519,756)	(2,405,787)
Operating Loss	(15,154,313)	(16,117,590)	(16,418,267)	(17,336,324)	(17,764,252)
Non-operating Revenues:					
Local Transportation Funds	7,348,445	8,595,776	8,976,087	9,631,812	8,869,456
Other local funds	-	-	-	-	-
State Funds	188,221	220,821	196,076	192,000	174,425
Federal Funds	4,378,878	4,042,074	4,074,383	4,733,271	5,469,611
Interest Income	13,901	14,540	15,758	13,885	12,449
Other Income, net	170,130	227,547	231,864	245,601	800,946
Total, Non-operating	12,099,575	13,100,758	13,494,167	14,816,568	15,326,887
Net Loss	$ (3,054,738)	$ (3,016,832)	$ (2,924,100)	$ (2,519,756)	$ (2,437,365)

Operating Expenses - Actual Dollars Compared to Constant Dollars (over Ten Year Period)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Actual Dollars	$ 15,141,244	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448
Constant Dollars (2004)	$ 12,623,786	$ 13,462,629	$ 13,475,323	$ 14,739,776	$ 16,668,461
CPI Percent Change	2.9%	1.6%	1.4%	1.8%	0.8%
Index Number (1982=100)	232.3	236.0	239.2	243.5	245.5
Cumulative Percent	19.9%	21.9%	23.5%	25.7%	16.3%

Gold Coast Transit District
Passenger Cost by Mode - Ten Year Comparison
Fiscal Years 2006 to 2015

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Bus - Fixed Route					
Total Passengers	3,369,704	3,438,989	3,495,875	3,568,028	3,442,005
Passenger Fare Revenue	$ 2,499,831	$ 2,641,230	$ 2,681,149	$ 2,709,665	$ 2,575,992
Local Govt. Fare Revenue	$ -	$ -	$ 250,000	$ 335,000	$ 400,000
Total Operating Cost	$ 11,589,399	$ 11,471,558	$ 12,287,553	$ 12,719,127	$ 13,395,101
Revenue per passenger	$ 0.742	$ 0.768	$ 0.767	$ 0.759	$ 0.748
Cost per passenger	$ 3.439	$ 3.336	$ 3.515	$ 3.565	$ 3.892
Farebox Recovery %	21.6%	23.0%	21.8%	21.3%	19.2%
Adjusted Farebox Recovery %	0.0%	0.0%	23.9%	23.9%	22.2%
Subsidy per passenger	$ 2.697	$ 2.568	$ 2.748	$ 2.805	$ 3.143
Subsidy %	78.4%	77.0%	78.2%	78.7%	80.8%
Bus - Paratransit					
Total Passengers	77,982	76,054	79,686	82,655	77,985
Passenger Fare Revenue	$ 157,100	$ 156,854	$ 162,457	$ 161,476	$ 161,839
Local Govt. Fare Revenue	$ -	$ -	$ -	$ -	$ -
Total Operating Cost	$ 1,697,423	$ 1,681,958	$ 1,772,319	$ 2,468,157	$ 2,162,102
Revenue per passenger	$ 2.015	$ 2.062	$ 2.039	$ 1.954	$ 2.075
Cost per passenger	$ 21.767	$ 22.115	$ 22.241	$ 29.861	$ 27.725
Farebox Recovery %	9.3%	9.3%	9.2%	6.5%	7.5%
Adjusted Farebox Recovery %	0.0%	0.0%	0.0%	0.0%	0.0%
Subsidy per passenger	$ 19.752	$ 20.053	$ 20.203	$ 27.907	$ 25.649
Subsidy %	90.7%	90.7%	90.8%	93.5%	92.5%
All Mode - Total					
Total Passengers	3,447,686	3,515,043	3,575,561	3,650,683	3,519,990
Passenger Fare Rev.	$ 2,656,931	$ 2,798,083	$ 2,843,606	$ 2,871,141	$ 2,737,831
Total Operating Cost	$ 13,286,822	$ 13,153,516	$ 14,059,872	$ 15,187,284	$ 15,557,203
Revenue per passenger	$ 0.771	$ 0.796	$ 0.795	$ 0.786	$ 0.778
Cost per passenger	$ 3.854	$ 3.742	$ 3.932	$ 4.160	$ 4.420
Farebox Recovery %	20.0%	21.3%	20.2%	18.9%	17.6%
Adjusted Farebox Recovery %	0.0%	0.0%	22.0%	21.1%	20.2%
Subsidy per passenger	$ 3.083	$ 2.946	$ 3.137	$ 3.374	$ 3.642
Subsidy %	80.0%	78.7%	79.8%	81.1%	82.4%

Gold Coast Transit District
Passenger Cost by Mode - Ten Year Comparison (Continued)
Fiscal Years 2006 to 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Bus - Fixed Route					
Total Passengers	3,353,539	3,476,408	3,566,470	3,817,758	3,908,847
Passenger Fare Revenue	$ 2,581,811	$ 2,689,740	$ 2,708,046	$ 2,996,373	$ 3,211,258
Local Govt. Fare Revenue	$ 217,000	$ 370,000	$ 200,000	$ 390,000	$ 350,000
Total Operating Cost	$ 13,136,934	$ 14,367,128	$ 14,408,626	$ 16,019,298	$ 16,723,757
Revenue per passenger	$ 0.770	$ 0.774	$ 0.759	$ 0.785	$ 0.822
Cost per passenger	$ 3.917	$ 4.133	$ 4.040	$ 4.196	$ 4.278
Farebox Recovery %	19.7%	18.7%	18.8%	20.2%	20.6%
Adjusted Farebox Recovery %	21.3%	21.3%	20.2%	22.6%	26.4%
Subsidy per passenger	$ 3.147	$ 3.359	$ 3.281	$ 3.411	$ 3.457
Subsidy %	80.3%	81.3%	81.2%	81.3%	80.8%
Bus - Paratransit					
Total Passengers	76,730	68,618	70,927	82,495	84,604
Passenger Fare Revenue	$ 164,858	$ 168,823	$ 170,054	$ 202,324	$ 207,375
Local Govt. Fare Revenue	$ 78,000	$ 75,000	$ 70,000	$ 126,217	$ 254,350
Total Operating Cost	$ 2,004,310	$ 2,037,193	$ 2,233,641	$ 2,512,184	$ 2,657,691
Revenue per passenger	$ 2.149	$ 2.460	$ 2.398	$ 2.453	$ 2.451
Cost per passenger	$ 26.122	$ 29.689	$ 31.492	$ 30.453	$ 31.413
Farebox Recovery %	8.2%	8.3%	7.6%	8.1%	7.8%
Adjusted Farebox Recovery %	12.1%	12.0%	10.7%	13.1%	17.8%
Subsidy per passenger	$ 23.973	$ 27.229	$ 29.095	$ 28.000	$ 28.962
Subsidy %	91.8%	91.7%	92.4%	91.9%	92.2%
All Mode - Total					
Total Passengers	3,430,269	3,545,026	3,637,397	3,900,253	3,993,451
Passenger Fare Rev.	$ 2,746,669	$ 2,858,563	$ 2,878,100	$ 3,198,697	$ 3,418,633
Total Operating Cost	$ 15,141,244	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448
Revenue per passenger	$ 0.801	$ 0.806	$ 0.791	$ 0.820	$ 0.856
Cost per passenger	$ 4.414	$ 4.627	$ 4.575	$ 4.751	$ 4.853
Farebox Recovery %	18.1%	17.4%	17.3%	18.5%	17.6%
Adjusted Farebox Recovery %	20.1%	20.1%	18.9%	21.3%	25.1%
Subsidy per passenger	$ 3.613	$ 3.821	$ 3.784	$ 3.931	$ 3.997
Subsidy %	81.9%	82.6%	82.7%	82.7%	82.4%

Gold Coast Transit District
Service Cost by Mode - Ten Year Comparison
Fiscal Years 2006 to 2015

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Bus - Fixed Route					
Revenue Miles	1,536,309	1,534,611	1,610,734	1,718,639	1,676,728
Revenue Hours	138,854	137,872	140,057	148,477	154,956
Total Operating Cost	$ 11,589,399	$ 11,471,558	$ 12,287,553	$ 12,719,127	$ 13,395,101
Cost per Revenue Mile	$ 7.54	$ 7.48	$ 7.63	$ 7.40	$ 7.99
Cost per Revenue Hour	$ 83.46	$ 83.20	$ 87.73	$ 85.66	$ 86.44
Bus - Paratransit					
Revenue Miles	519,447	528,276	528,336	537,060	502,026
Revenue Hours	31,230	34,924	35,636	39,218	32,993
Total Operating Cost	$ 1,697,423	$ 1,681,958	$ 1,772,319	$ 2,468,157	$ 2,162,102
Cost per Revenue Mile	$ 3.27	$ 3.18	$ 3.35	$ 4.60	$ 4.31
Cost per Revenue Hour	$ 54.35	$ 48.16	$ 49.73	$ 62.93	$ 65.53
All Mode - Total					
Revenue Miles	2,055,756	2,062,887	2,139,070	2,255,699	2,178,754
Revenue Hours	170,084	172,796	175,693	187,695	187,949
Total Operating Cost	$ 13,286,822	$ 13,153,516	$ 14,059,872	$ 15,187,284	$ 15,557,203

Gold Coast Transit District
Service Cost by Mode - Ten Year Comparison (Continued)
Fiscal Years 2006 to 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Bus - Fixed Route					
Revenue Miles	1,605,651	1,752,942	1,850,676	2,044,386	2,111,023
Revenue Hours	145,228	168,491	181,417	196,925	199,418
Total Operating Cost	$ 13,136,934	$ 14,367,128	$ 14,408,626	$ 16,019,298	$ 16,723,757
Cost per Revenue Mile	$ 8.18	$ 8.20	$ 7.79	$ 7.84	$ 7.92
Cost per Revenue Hour	$ 90.46	$ 85.27	$ 79.42	$ 81.35	$ 83.86
Bus - Paratransit					
Revenue Miles	501,280	462,927	482,005	552,342	581,041
Revenue Hours	32,717	29,524	30,649	36,210	36,876
Total Operating Cost	$ 2,004,310	$ 2,037,193	$ 2,233,641	$ 2,512,184	$ 2,657,691
Cost per Revenue Mile	$ 4.00	$ 4.40	$ 4.63	$ 4.55	$ 4.57
Cost per Revenue Hour	$ 61.26	$ 69.00	$ 72.88	$ 69.38	$ 72.07
All Mode - Total					
Revenue Miles	2,106,931	2,215,869	2,332,681	2,596,727	2,692,064
Revenue Hours	177,944	198,015	212,065	233,135	236,294
Total Operating Cost	$ 15,141,244	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448

Gold Coast Transit District
Ridership and Service - Ten Year Comparison
Fiscal Years 2006 to 2015

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Passengers					
Fixed Route	3,369,704	3,438,989	3,495,875	3,568,028	3,442,005
Paratransit	77,982	76,054	79,686	82,655	77,985
TOTAL	3,447,686	3,515,043	3,575,561	3,650,683	3,519,990
Revenue Miles					
Fixed Route	1,536,309	1,534,611	1,610,734	1,718,639	1,676,728
Paratransit	519,447	528,276	528,336	537,060	502,026
TOTAL	2,055,756	2,062,887	2,139,070	2,255,699	2,178,754
Revenue Hours					
Fixed Route	138,854	137,872	140,057	148,477	154,956
Paratransit	31,230	34,924	35,636	39,218	32,993
TOTAL	170,084	172,796	175,693	187,695	187,949
Passengers Per Mile					
Fixed Route	2.19	2.24	2.17	2.08	2.05
Paratransit	0.15	0.14	0.15	0.15	0.16
TOTAL	1.68	1.70	1.67	1.62	1.62
Passengers Per Hour					
Fixed Route	24.27	24.94	24.96	24.03	22.21
Paratransit	2.50	2.18	2.24	2.11	2.36
TOTAL	20.27	20.34	20.35	19.45	18.73
Bus - Fixed Route					
Cost per Boarding	$ 3.44	$ 3.34	$ 3.51	$ 3.56	$ 3.89
Bus - Paratransit					
Cost per Boarding	$ 21.77	$ 22.12	$ 22.24	$ 29.86	$ 27.72

Gold Coast Transit District
Ridership and Service - Ten Year Comparison (Continued)
Fiscal Years 2006 to 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Passengers					
Fixed Route	3,353,539	3,476,408	3,566,470	3,817,758	3,908,847
Paratransit	76,730	68,618	70,927	82,495	84,604
TOTAL	3,430,269	3,545,026	3,637,397	3,900,253	3,993,451
Revenue Miles					
Fixed Route	1,605,651	1,752,942	1,850,676	2,044,386	2,111,023
Paratransit	501,280	462,927	482,005	552,342	581,041
TOTAL	2,106,931	2,215,869	2,332,681	2,596,727	2,692,064
Revenue Hours					
Fixed Route	145,228	168,491	181,417	196,925	199,418
Paratransit	32,717	29,524	30,649	36,210	36,876
TOTAL	177,944	198,015	212,065	233,135	236,294
Passengers Per Mile					
Fixed Route	2.09	1.98	1.93	1.87	1.85
Paratransit	0.15	0.15	0.15	0.15	0.15
TOTAL	1.63	1.60	1.56	1.50	1.48
Passengers Per Hour					
Fixed Route	23.09	20.63	19.66	19.39	19.60
Paratransit	2.35	2.32	2.31	2.28	2.29
TOTAL	19.28	17.90	17.15	16.73	16.90
Bus - Fixed Route					
Cost per Boarding	$ 3.92	$ 4.13	$ 4.04	$ 4.20	$ 4.28
Bus - Paratransit					
Cost per Boarding	$ 26.12	$ 29.69	$ 31.49	$ 30.45	$ 31.41