

Budget and Financial Plan

GOLD COAST TRANSIT DISTRICT
2015- 2016



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June 3, 2015

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GUIDE TO THE BUDGET AND FINANCIAL PLAN

The Gold Coast Transit District (GCTD) Budget and Financial Plan for FY 2015-16 presents the agency's financial and program plan in a single document for easy reference. It describes the services provided by GCTD and presents historical and anticipated costs of each function.

Budget Message and Summary

This section summarizes the budgetary guidelines, highlights, fund structure, significant financial issues, the budget basis and process.

Expenditures

This section summarizes the expenditures in a historical and anticipated level. Included are the staffing levels of GCTD.

Capital Improvements

This section summarizes the approved and proposed capital program. Included is the depreciation for the capital equipment.

Operating Revenue

This section summarizes the operating revenue. Included are Local Transportation Funds and other local funds, federal grants, state funds, other revenue and farebox revenue and recovery.

Appendix

Detailed information is provided on the annual expenditures as summarized in the Expenditure section. A glossary of terms is also provided.

FY 2015-16 BUDGET AND FINANCIAL PLAN

GOLD COAST TRANSIT DISTRICT MISSION STATEMENT

Gold Coast Transit's Board of Directors in 2009 adopted the following mission statement, providing a clear, concise strategic direction for the organization:

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

BOARD OF DIRECTORS

City of Ojai

Mayor Pro Tem Paul Blatz
Chair

Councilmember Betsy Clapp
Alternate

City of Oxnard

Councilman Bryan A.
MacDonald - Vice-Chair

Mayor Pro Tem Carmen
Ramirez - Alternate

City of Port Hueneme

Mayor Pro Tem Douglas A.
Breeze – Director

Mayor Sylvia Munoz Schnopp
Alternate

City of Ventura

Councilmember Carl E. Morehouse
Director

Councilmember James L. Monahan
Alternate

County of Ventura

Supervisor John C. Zaragoza
Director

SENIOR MANAGEMENT STAFF

Steven P. Brown
General Manager

Steve L. Rosenberg
Director of Finance & Administration

Robert H. Lurie
Director of Fleet & Facilities

Debbie L. Williams
Director of Human Resources

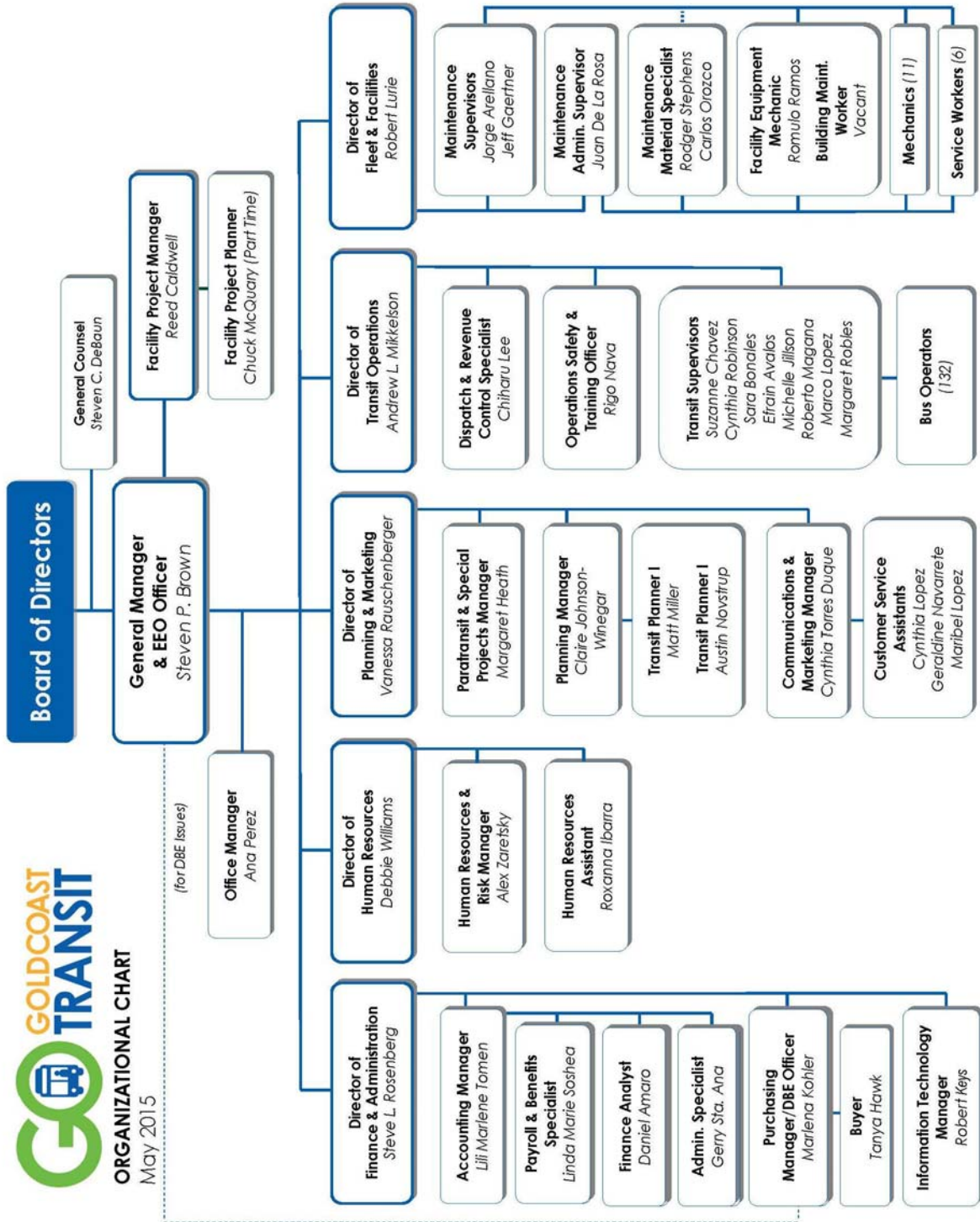
Vanessa Rauschenberger
Director of Planning & Marketing

Andrew Mikkelson
Director of Transit Operations

Reed Caldwell
Facility Project Manager



Organizational Chart – June 2015



ORGANIZATIONAL CHART
May 2015

BUDGET MESSAGE AND EXECUTIVE SUMMARY

GCTD is committed to the protection of public investment through sound financial practices. This commitment is reflected throughout the process from budget development to final adoption. Following is a description of the budget process.

BUDGETARY GUIDELINES – The budget was developed following these guidelines.

- A. Prudent budgetary control is tied to strategic planning and resource availability.
- B. Meaningful public and member agency input is solicited during the annual budget review.
- C. Salary and benefit increases for employees reflect the agreed upon level. Actual wage or benefit increases are subject to existing labor agreements approved by the GCTD Board of Directors. GCTD and Service Employees International Union (SEIU) 721 negotiated a new Memorandum of Understanding (MOU) effective July 2014 through October 2017 that includes a 4% increase in July 2015 and incremental increases in employee pension contribution, to 4% in July 2015 and to 6% in July 2016. Non-represented employees typically receive similar increases and are also subject to the increased employee pension contribution.
- D. Appropriate insurance coverage is budgeted to mitigate the risk of material loss.
- E. Major capital items are specified in the Ten-Year Plan and are anticipated in the capital reserve funding request to the extent feasible.
- F. Budget versus actual financial information is reported on a monthly basis.

INTRODUCTION

FY 2015-16 marks a fiscal milestone for GCTD, as the District prepares for the first time to enter the long-term debt market. On May 13, 2015, the GCTD Board of Directors approved proceeding with financing the unfunded portion of the New Administration and Operations Facility using certificates of participation (COPs). GCTD must have a larger facility to keep up with the growing demand for public transportation in Western Ventura County, and the District has already secured commitments for over 50% of the total project cost in Federal and State grants; this includes the cost of a 15-acre parcel in North Oxnard that GCTD acquired in July 2014.

GCTD approaches this undertaking in a strong financial position. Having converted from a Joint Powers Authority (JPA) to a Transit District in July 2014, the District no longer claims Local Transportation Funds (LTF) from its members' allocation; instead GCTD is now entitled to claim all of the LTF allocated based on its members' population. District's by-laws then allow District members to claim from GCTD a portion of LTF for transit services or the operation and maintenance of locally supported transit facilities. As a result, LTF funding available to the District (net of members' recurring transit requirements) has increased; up 22% from FY 2013-14 and up 59% from the

lowest recession year of FY 2010-11. The District anticipates finishing FY 2014-15 with an operating surplus of over \$2 million, plus an additional \$491K in unanticipated revenue from the Alternative Fuel Excise Tax Credit for calendar 2014 retroactively extended by Congress in December 2014. GCTD expects to close FY 2014-15 with approximately \$6.5 million in capital reserves.

BUDGET HIGHLIGHTS FOR FY 2015-16, THE UPCOMING BUDGET YEAR

The proposed operating budget for FY 2015-16 is \$22,096,000, a 1.1% increase from the adopted FY 2014-15 budget.

Budget highlights are as follows:

Revenues

GCTD's primary revenue source has historically been Local Transportation Fund revenues, allocated to its member agencies based on population, from a .25% state sales tax generated by the 1971 Transportation Development Act (TDA). LTF is allocated to GCTD based on the population of its member jurisdictions. For FY 2015-16, the previously approved preliminary allocation for GCTD was \$15,345,451. The LTF revenue allocation premise for this budget is \$15,472,479, the current amount tentatively projected to be allocated to GCTD subject to approval by the Ventura County Transportation Commission (VCTC) on June 5, 2015.

In accordance with the process by which members may claim a portion of LTF for other transit requirements such as transit services or the operation and maintenance of locally supported transit facilities, each member has submitted to GCTD its LTF funding requests. Working together through GCTD's Technical Advisory Committee, GCTD and its members established a baseline in FY 2014-15 for recurring expenses; this baseline, adjusted by the CPI, will serve as the basis for future years' claim requests. Funding requests for non-recurring projects will be assessed and either funded in the current year or incorporated into the capital planning process.

For FY 2015-16, the LTF allocation to GCTD is \$15,472,479, and members' claims for recurring transit services costs total \$2,501,498. The District will fund \$165,000 in additional member transit services, in exchange for the provision of other local funding, and for FY 2015-16 will fund \$125,000 in discretionary non-recurring projects. That leaves \$12,680,981 for GCTD's use.

GCTD will receive its FY 2015-16 State Transit Assistance (STA) allocation, currently estimated at \$183,394, and in addition is including in the FY 2015-16 operating budget another \$26,606 carried over from the previous year's allocation.

GCTD's primary source of federal funding is FTA Section 5307 grant funding. The FTA's authorizing transit funding legislation is entitled MAP-21. Under MAP-21 for FY 2015-16, GCTD is projected to receive from Section 5307 formula funding, including allocations for Jobs Access Reverse Commute (JARC) and Section 5339

(Bus and Bus Facilities), a total \$3.94M, equivalent to GCTD's FY 2014-15 allocation.

GCTD's FY 2015-16 operating budget also includes funds from three (3) route-specific federal grants totaling \$1,317,400. They are Congestion Mitigation and Air Quality (CMAQ) grants for demonstration projects serving the Victoria Ave. corridor from Port Hueneme to Ventura (Route 21, a three-year grant that commenced February 2013), and the Wells Center (Saticoy)-Nyeland Acres corridor (Route 22, a three-year grant programmed to commence July 2015), as well as a Jobs Access – Reverse Commute (JARC) program grant to support the addition of the OTC/Lombard/Gonzalez/Fifth Route (Route 20, a three-year grant that commenced August 2013).

Passenger fares revenues for fixed route service are projected at \$3.28M, an increase of 9.7% from the FY 2014-15 budget, as the result of a 6.2% increase in fares per boarding YTD, to \$.814. The District expects fares per boarding to increase slightly in FY 2015-16. Passenger fare revenues for paratransit service are projected at \$214K, and passenger fares per boarding for paratransit service have been very stable for several years at the \$2.40 range.

Working in conjunction with Ventura County Public Health, GCTD receives revenue claimed by VCPH under the Medi-Cal Administrative Activities (MAA) program to partially reimburse GCTD for providing Medi-Cal eligible trips on the GCTD ACCESS service. The District has conservatively budgeted \$120,000 in trip-related reimbursements.

GCTD established a new revenue stream during FY 2014-15 by generating and selling both Low Carbon Fuel Standard (LCFS) credits from the State of California "cap-and-trade" program and Renewable Identification Number (RIN) credits from U.S. EPA, related to the purchase and use of natural gas to fuel the fleet. The District has budgeted \$121,000 for FY 2015-16, but anticipates the value of the LCFS credits to increase as the program evolves.

GCTD also generates local revenue through sales of exterior bus advertising. This program is budgeted to provide \$245,000 in local revenue in FY 2014-15.

Operating Expense

The proposed operating budget for FY 2015-16 is \$22,096,000, a 1.1% increase from the adopted FY 2014-15 budget. GCTD historically has built a substantial level of conservatism into its operating budget, because as a joint powers authority without significant operating reserves it would have been problematic to seek additional funds to cover an operating deficit. Structurally the agency would finish the year with an operating surplus, which in accordance with TDA guidelines, would then be applied to the budget in the year following the audited results.

As we approach the end of FY 2014-15, GCTD's first year as a District, it is apparent that GCTD will finish the year with a substantial operating surplus, in the range of \$2M or 9% of the budget. This FY 2015-16 budget is structured to reduce but not eliminate this process of operating from a surplus. As a result, the year-to-year budget comparisons may not be as uniformly relevant as they might otherwise be.

Labor Expense – Labor and fringe benefit cost for the FY 15-16 budget are projected to increase 2.9% as compared to the FY13-14 budget. In the current year GCTD's actual labor costs are well under budget; actual cost increases in FY15-16 will be somewhat higher, with 2.4% additional service hours, the addition of four positions (two in Maintenance, one each at mid-year in Transit Supervision and Customer Service), planned salary range adjustments to address compression issues in certain staff job classifications, and a 4% wage increase as negotiated in our recent union contract.

Wage increases will be partially offset by a 2% increase in employee pension contribution (from 2% to 4%) for long-tenured employees, a 2.25% increase in employee pension contribution for post-2013 employees under the PEPR law, and a .53% increase in GCTD's CalPERS employer portion rate.

Boardings – The budget premise for FY 2015-16 fixed route service is 3.96 million boardings, a 1.8% increase from the FY 2014-15 budget premise of 3.89 million boardings. This would be .6% higher than current forecast for FY 2014-15 actual boardings at year-end.

The budget premise for FY 2015-16 paratransit service is for 90,000 boardings, a slight decrease from the FY 2014-15 budget premise of 90,733 boardings. Actual boardings for FY 2014-15 are projected to be 85,000, up from 82,495 in FY 2013-14. Paratransit demand increased, but not as sharply as expected. This increase in demand for service is the result of more riders returning to work or school as the economy improves, and a continuing increase in service to dialysis patients.

Service Adjustments – GCTD will be implementing 2.4% more revenue service hours in FY 2015-16, with revenue service hours (RSH) increasing from 198,165 in FY 2014-15 to 203,069 in FY 2015-16. Revenue service miles (RSM) will increase 6.4%, from 2,071,251 in FY 2014-15 to 2,204,119 in FY 2015-16. The service increase is the result of some added service on GCTD's busiest bus route, Route 6, the addition of extended evening service to Oxnard and Ventura Colleges, and a restructuring of service to Saticoy, Nyeland Acres, Riverpark and Oxnard College that will result in the elimination of Route 14 and the introduction of Route 22 to Wells Center and Nyeland Acres.

GCTD's budgeted fixed route cost per revenue hour for FY 2015-16 is \$94.41, a slight decrease from the budgeted cost of \$95.30 in FY 2014-15, and the budgeted fixed route cost per revenue mile is \$8.70, a 4.6% decrease from \$9.12 in the FY 2014-15 budget.

Fuel - The FY 2015-16 budget for fuel and lubricants is \$839,400, a 27% decrease from the FY 2014-15 budget of \$1,155,500. The decrease is primarily the result of the continued historic low price for natural gas. The unit price used to calculate the FY 2015-16 budget is 10% above the twelve month average price as of March 2015. Last year's budget was based on 15% above the March 2014 price, which turned out to be the highest price point since 2008. Prices have dropped 30% in the past year, and this year GCTD signed a supplier agreement that provides an additional 4% discount off the published market price.

Paratransit operations - The budget for contracted paratransit services in FY 2015-16 is \$2,625,500, virtually unchanged from the FY 2014-15 budget. Ridership increased YTD in FY 2014-15, but to a lesser degree than was anticipated. It is anticipated that demand in FY15-16 will increase 6% from the current year's actual ridership, and cost increases will be moderated by exercise of a favorable service contract option.

Farebox Recovery Ratio – California TDA regulations require that a transit service claimant for TDA funds realize a system wide farebox recovery ratio (FBRR), the ratio of fare and local revenues to operating cost, of at least 20%, or that the claimant realize a FBRR of 20% for fixed route service and 10% for paratransit service.

For GCTD's FY 2015-16 Farebox recovery ratio (FBRR) calculation, GCTD will meet the latter goal by supplementing passenger fares with \$165,000 in local revenues from Oxnard. Other locally-generated revenue sources that supplement fares are \$245,000 in Advertising Revenue, \$120,000 in Medi-Cal paratransit trip reimbursement funds and \$121,200 in energy credit sale revenue. Following TDA guidelines, GCTD has adjusted costs and revenue to exclude recently extended services (start year plus two additional years). It is estimated that GCTD's FBRR for fixed route will be 20.7% (requirement is minimum 20%) and for Paratransit will be 11.4% (requirement is minimum 10%).

Capital Reserve Contribution – For FY 2015-16, GCTD will contribute \$500,000 to GCTD's capital reserve fund. During the recent recession the capital reserve fund went three consecutive years (FY 2009-10 through FY11-12) with no contribution. Over the past three years, GCTD has built up the capital reserve to over \$4 million. Before the end of this fiscal year GCTD will receive a supplemental LTF allocation of \$2.27 million which will go into capital reserve. The capital reserve is expected to be at approximately \$6.5 million by June 30, 2015.

Debt Service

On May 13, 2014 the Board of Directors approved proceeding with financing the unfunded portion of the New Administration and Operations Facility, not to exceed \$22 million, using certificates of participation, and authorized the selection of the California Transit Finance Corporation (CTFC) for financing services.

Pending a final facility design and construction estimate, it is currently estimated that the unfunded portion will be approximately \$20 million. Concurrent with this budget document, GCTD is preparing a grant application for the Department of Transportation's Transportation Investment Generating Economic Recovery (TIGER) discretionary grant program. GCTD will be applying for \$11.25 million in grant funds, which would reduce borrowing on a dollar-for-dollar basis.

GCTD has allocated \$1,107,000 toward debt repayment for a partial year in FY 2015-16. This amount will be budgeted as a separate Capital Reserve contribution. As the bond issuance process evolves the District will either use these funds for debt repayment or capitalize the FY 2015-16 interest and dedicate these funds to reducing principal.

RETROSPECTIVE REVIEW OF BUDGET HIGHLIGHTS FOR FY 2014-15 - THE CURRENT BUDGET YEAR

Effective July 1, 2014, Gold Coast Transit ceased operating as a Joint Powers Authority (JPA) and began operating as Gold Coast Transit District. This change impacted GCTD's governance structure, increased its long-term stability, and immediately changed how GCTD received Local Transportation Funds (LTF). Under GCTD's enabling legislation, the District no longer claimed LTF from its members' allocation; instead GCTD is now entitled to claim all of the LTF allocated based on its members' population. District members may then claim from GCTD a portion of those funds for transit services or the operation and maintenance of locally supported transit facilities. The District's by-laws, implemented in July 2014, provide for this process.

The proposed operating budget for FY 2014-15 was \$21,858,400, a 6.0% increase from the adopted FY 2013-14 budget. Ventura County LTF revenues allocated to GCTD based on its members' population decreased 3.1% from FY 2013-14, but were still 33% higher than the historic recession low of FY 2010-11. On the expense side, the key increase factors were expected to be increased fuel costs resulting from a combination of higher natural gas prices and the expiration of the Federal Alternative Fuel Tax Credit, and higher costs for contracted paratransit service resulting from ridership trending up toward pre-recession levels.

Budget highlights were as follows:

Revenues – GCTD's primary revenue source is Local Transportation Fund revenues. For FY 2014-15, the LTF allocation to GCTD's members was \$14,393,437, and members' claims for recurring transit services costs totaled \$2,437,985, leaving \$11,955,452 available to GCTD.

GCTD's FY 2014-15 State Transit Assistance (STA) allocation was estimated to be \$192,694, the budget included another \$57,306 carried over from the previous year's allocation.

GCTD's primary source of federal funding is FTA Section 5307 grant funding. For FY 2014-15, GCTD was programmed to receive \$3.94M, from this source, \$100K more than GCTD's FY 2013-14 allocation. GCTD's FY 2014-15 operating budget also included funds from three (3) route-specific federal grants totaling \$1,13M; Congestion Mitigation and Air Quality (CMAQ) grants for demonstration projects serving the Vineyard-Rose corridor in north Oxnard (Route 17) and the Victoria Ave. corridor from Port Hueneme to Ventura (Route 21). and a Jobs Access – Reverse Commute (JARC) program grant to support the addition of the OTC/Lombard/Gonzalez/Fifth Route (Route 20).

GCTD for the first time in FY 2014-15 budgeted for revenue claimed through Ventura County to partially reimburse the District for providing Medi-Cal eligible trips on the GCTD ACCESS service. GCTD worked with Ventura County Public Health for several years to establish this program.

GCTD's exterior bus advertising was budgeted to generate \$225K in local revenue in FY 2014-15.

Labor – GCTD projected a year-to-year labor budget increase of less than 1% in FY 2014-15, due to budget underruns being experienced in FY 2013-14 as the result of delayed staff additions, unanticipated staff vacancies and an extended period working under an old labor agreement during ongoing negotiations. Staffing levels were anticipated to be equivalent to those projected in the FY 2013-14 budget except for small adjustments to the bus operators and maintenance rosters.

Boardings – The budget premise for FY 2014-15 fixed route service was 3.89 million boardings, a 4.3% increase from the FY 2013-14 budget premise. The budget premise for FY 2014-15 paratransit service was 90,733 boardings, a 24% increase from the FY 2013-14 budget premise; as GCTD experienced a sharp increase in paratransit service demand during FY 2013-14.

Service Adjustments – GCTD budgeted for 1.2% more revenue service in FY 2014-15, with revenue service hours (RSH) increasing from 195,791 to 198,165. GCTD budgeted for .8% more revenue service miles (RSM) in FY 2014-15, from 2,055,691 to 2,071,251. The increase was the result of the service changes implemented in August 2013 being part of the service for a full twelve months in FY 2014-15.

GCTD's budgeted fixed route cost per revenue hour for FY 2014-15 was \$ 95.30, a 2.6% increase from \$92.86 in the FY 2013-14 budget, and the budgeted fixed route cost per revenue mile was \$9.12, a 3.2% increase from \$8.84 in the FY 2013-14 budget.

Fuel - The FY 2014-15 budget for fuel and lubricants was \$1,155,500, a 73% increase from the FY 2013-14 budget. The increase results from a combination of higher natural gas prices and the expiration of the Alternate Fuels Excise Tax Rebate on December 31, 2013. The FY 2013-14 Budget included a credit of

\$254,200 for the rebate. The unit price used to calculate the FY 2014-15 budget was \$.8115 per therm, based on 15% above the wholesale price for March 2014.

Paratransit Operations - The budget for contracted paratransit services in FY 2014-15 was \$2,625,200, a 20% increase from the FY 2013-14 budget. A 24% increase in ridership was projected.

Farebox Recovery Ratio – California TDA regulations require that a transit service claimant for TDA funds realize a system wide farebox recovery ratio (FBRR), the ratio of fare and local revenues to operating cost, of at least 20%, or that the claimant realize a FBRR of 20% for fixed route service and 10% for paratransit service. GCTD's FY 2014-15 budget met the latter goal by supplementing on-board farebox receipts with local advertising revenue as well as local support (non-TDA) funds. Local support funds, advertising and other agency-generated revenue may be counted as fare in calculating the FBRR. TDA regulations allow claimants to exempt from the ratio calculation "extensions of public transportation services until two years after the end of the fiscal year in which the extension of services was put into operation." GCTD's FY 2014-15 budget included three such routes; costs and fare revenues associated with those routes are excluded from the calculation.

Capital Reserve Contribution – For FY 2014-15, GCTD allocated to Capital Reserve \$250,000 for GCTD projects and \$80,000 for member transit projects.

BUDGET PROCESS

The proposed budget was developed by the Director of Finance and Administration in consultation with the GCTD General Manager and Management team. Preliminary budget premises and estimates were discussed with the Board Fiscal Policy Committee on March 25, 2015. A draft proposed budget was discussed and reviewed with the GCTD Technical Advisory Committee (TAC) on April 22, 2015, and a full report on the draft FY 2015-16 budget was presented for review and comment to the Board on May 13, 2015. The final version was reviewed by and recommended for approval by the TAC on May 20, 2015.

BUDGET SUMMARY

The budget summary is displayed in Table 1, Operating Budget Summary, Revenues and Expenses, and Table 2, Operating Budget – Functional Categories. Table 1 provides a summary of both revenue and expense, categorized by both expenditure type and department, Table 2 provides a line item breakout of the expenses by type.

The budget document provides details for the operating budget in the **Expenditures** (page 14) section, the capital project budget in the **Capital Improvements** (page 16) section and the revenue sources in the **Operating Revenue** (page 24) section. These sections include tables reflecting the operating expense budgets by line item breakouts, and are accompanied by a discussion of significant cost categories. In the appendix are

detailed tables of the line items by each of GCTD's departments and a glossary of terms.

TABLE 1

**Gold Coast Transit
Operating Budget Summary
July 1, 2015 to June 30, 2016**

<u>Operating Revenues</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/- FY16 vs. FY15</u>
Passenger Fares-Fixed Route	\$2,870,000	\$2,996,373	\$2,993,700	\$3,285,400	+9.7%
Passenger Fares-Paratransit	\$166,600	\$202,324	\$224,100	\$213,500	(4.7%)
Special Transit Fares (FR) - Member Gov't:	\$565,000	\$390,000	\$350,000	\$165,000	(52.9%)
Special Transit Fares (PT) - Member Gov't:	\$80,000	\$30,000	\$0	\$0	N/A
Interest	\$18,000	\$13,885	\$15,000	\$12,000	(20.0%)
Advertising Income	\$200,000	\$231,998	\$225,000	\$245,000	+8.9%
Energy Credit Revenue	\$0	\$0	\$0	\$121,200	N/A
Other	\$1,000	\$13,603	\$1,000	\$1,000	+0.0%
Operating Assistance-State	\$192,000	\$192,000	\$250,000	\$210,000	(16.0%)
Operating Assistance-Local (LTF)	\$11,636,300	\$9,631,812	\$12,385,200	\$12,682,800	+2.4%
Demo Project - Vineyard Corridor Route	\$574,800	\$502,825	\$297,200	\$0	(100.0%)
Demo Project - Victoria Route	\$683,000	\$595,042	\$701,500	\$500,000	(28.7%)
Demo Project - Wells Center/Nyeland Acre:	\$0	\$0	\$0	\$684,000	N/A
JARC Funding For Route 20	\$110,000	\$110,000	\$129,500	\$133,400	+3.0%
Operating Assistance-Federal	\$1,000,000	\$1,000,000	\$1,100,000	\$1,050,000	(4.5%)
Preventive Maintenance-Federal	\$1,500,000	\$1,500,000	\$1,750,000	\$1,632,700	(6.7%)
Paratransit Assistance-Federal	\$940,000	\$940,000	\$990,000	\$840,000	(15.2%)
Planning Assistance-Federal	\$80,000	\$80,000	\$346,200	\$200,000	(42.2%)
Medi-Cal Reimbursement / Paratransit	\$0	\$96,217	\$100,000	\$120,000	+20.0%
Other Fed Grants and Reimbursements	\$0	\$0	\$0	\$0	N/A
TOTAL	\$20,616,700	\$18,526,078	\$21,858,400	\$22,096,000	+1.1%
<u>Operating Expenses</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/- FY16 vs. FY15</u>
<u>FUNCTIONAL CATEGORIES</u>					
Employee Support	15,061,300	13,456,588	15,200,100	15,704,200	+3.3%
Service/Supplies - Operational	4,517,500	4,125,778	5,611,900	5,254,100	(6.4%)
Service/Supplies - Support	<u>1,037,900</u>	<u>949,115</u>	<u>1,046,400</u>	<u>1,137,700</u>	+8.7%
<u>DEPARTMENT CATEGORIES</u>					
Fixed Route	11,460,200	10,431,838	11,915,500	11,895,000	(0.2%)
Paratransit	2,434,800	2,512,184	2,974,200	2,924,600	(1.7%)
Maintenance	3,462,800	2,926,278	3,582,600	3,479,600	(2.9%)
Administration	2,331,400	1,938,629	2,414,400	2,713,400	+12.4%
Planning and Marketing	<u>927,500</u>	<u>722,554</u>	<u>971,700</u>	<u>1,083,400</u>	+11.5%
TOTAL	<u>20,616,700</u>	<u>18,531,482</u>	<u>21,858,400</u>	<u>22,096,000</u>	+1.1%
Total Fixed Route	18,181,900	16,019,298	18,884,200	19,171,400	+1.5%
Total Paratransit	<u>2,434,800</u>	<u>2,512,184</u>	<u>2,974,200</u>	<u>2,924,600</u>	(1.7%)
Farebox Recovery Ratio	<u>19%</u>	<u>21%</u>	<u>19%</u>	<u>19.4%</u>	
FRR Fixed Route	<u>20%</u>	<u>23%</u>	<u>20%</u>	<u>20.7%</u>	
FRR Paratransit	<u>10%</u>	<u>13%</u>	<u>11%</u>	<u>11.4%</u>	

TABLE 2

Gold Coast Transit
Operating Budget – Functional Categories
July 1, 2015 to June 30, 2016

	<u>FY13-14</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>Proposed</u>	<u>% +/-</u>
<u>Employee Support</u>	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>FY16 vs.</u>
				<u>FY15-16</u>	<u>FY15</u>
Salaries	10,027,900	8,902,208	10,058,200	10,509,400	+4.5%
Health Benefits	1,668,600	1,502,745	1,671,400	1,806,000	+8.1%
WCI	860,000	846,305	895,500	911,600	+1.8%
Retirement	2,023,900	1,793,637	2,065,100	1,935,800	(6.3%)
Other Benefits	263,700	195,087	287,600	247,700	(13.9%)
Uniforms	73,300	56,997	76,500	77,400	+1.2%
Medical Exams	40,400	38,486	42,800	44,800	+4.7%
Safety & Training	80,500	81,636	86,000	102,500	+19.2%
Contracts	<u>23,000</u>	<u>39,487</u>	<u>17,000</u>	<u>69,000</u>	+305.9%
TOTAL	\$15,061,300	\$13,456,588	\$15,200,100	\$15,704,200	+3.3%
				<u>Proposed</u>	<u>% +/-</u>
<u>Service/Supplies - Operational</u>	<u>FY13-14</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>Budget</u>	<u>FY16 vs.</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>FY15-16</u>	<u>FY15</u>
Fuel/Lubricants	667,400	536,762	1,155,500	839,400	(27.4%)
Tires	147,000	113,062	165,000	175,000	+6.1%
Repair Parts	585,000	584,374	667,000	662,000	(0.7%)
CNG Fuel Station	130,000	53,188	130,000	100,000	(23.1%)
Paratransit Service Contract	2,188,800	2,261,925	2,625,200	2,625,500	+0.0%
Contract Repair	315,000	150,469	300,000	270,000	(10.0%)
Contract Services	191,500	128,900	181,800	191,000	+5.1%
Supplies	135,800	136,247	154,500	153,800	(0.5%)
Tickets/Schedules	61,000	79,250	80,500	91,000	+13.0%
Marketing	38,000	48,664	102,700	125,600	+22.3%
Interest Expense	4,000	2,648	3,200	3,000	N/M
OTC Facilities *	34,000	10,950	24,000	11,600	(51.7%)
Maintenance Agreements	20,000	19,339	22,500	6,200	(72.4%)
Warranty Recovery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	+0.0%
TOTAL	\$4,517,500	\$4,125,778	\$5,611,900	\$5,254,100	(6.4%)
				<u>Proposed</u>	<u>% +/-</u>
<u>Service/Supplies - Support</u>	<u>FY13-14</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>Budget</u>	<u>FY16 vs.</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>FY15-16</u>	<u>FY15</u>
Telephones/Utilities	176,500	171,177	188,800	192,600	+2.0%
Insurance	523,500	470,114	536,400	582,600	+8.6%
Contract Services	68,000	60,995	70,000	70,000	+0.0%
Supplies	78,700	104,414	73,200	95,000	+29.8%
Legal	91,200	52,173	76,000	72,000	(5.3%)
Audit	20,000	20,703	21,000	40,000	+90.5%
Officers & Directors	36,000	33,848	36,000	40,000	+11.1%
Dues	<u>44,000</u>	<u>35,692</u>	<u>45,000</u>	<u>45,500</u>	+1.1%
TOTAL	\$1,037,900	\$949,115	\$1,046,400	\$1,137,700	+8.7%
GRAND TOTAL	\$20,616,700	\$18,531,482	\$21,858,400	\$22,096,000	+1.1%

EXPENDITURES

Employees – Support

The proposed budget for employee support shows an increase of \$504,100 (3.3%). Labor and fringe benefits increases are projected to increase 2.9%. GCTD represented personnel will receive 4% wage increases in July 2015 and 4% medical contribution increases in January 2016 in accordance with the District’s MOUs with SEIU Local 721; non-represented personnel have historically received adjustments commensurate with contractual increases.

GCTD’s CalPERS employer contribution rate will increase .754%, from 14.967% in FY 2013-14 to 15.721% in FY 2014-15. GCTD employees hired into the CalPERS system after January 1, 2013 who do not otherwise qualify as “classic” under the state Public Employees Pension Reform Act (PEPRA) were recently converted to “new” status as the result of the decision in the case of State of California, et al. v. US Department of Labor et al, and are now paying 100% of their 6.25% employee contribution. Employees hired before November 2011 will have their employee contribution increase from 2% to 4%; while “classic” employees hired on or after November 2011 will continue to pay 4%.

Other increases in this category are attributable to planned Human Resources initiatives in employee training and development programs.

GCTD estimates that premised service levels will require approximately 136 bus operators throughout FY 2015-16. Operator headcount is driven by service levels and other variables, and actual headcount typically will vary throughout the year. Non-operator headcount is projected to be 64.5. Table 3 shows the Employee Support expense budget.

TABLE 3

**Gold Coast Transit
Employee Support Expenses
July 1, 2015 to June 30, 2016**

<u>Employee Support</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/- FY16 vs. FY15</u>
Salaries	10,027,900	8,902,208	10,058,200	10,509,400	+4.5%
Health Benefits	1,668,600	1,502,745	1,671,400	1,806,000	+8.1%
WCI	860,000	846,305	895,500	911,600	+1.8%
Retirement	2,023,900	1,793,637	2,065,100	1,935,800	(6.3%)
Other Benefits	263,700	195,087	287,600	247,700	(13.9%)
Uniforms	73,300	56,997	76,500	77,400	+1.2%
Medical Exams	40,400	38,486	42,800	44,800	+4.7%
Safety & Training	80,500	81,636	86,000	102,500	+19.2%
Contracts	<u>23,000</u>	<u>39,487</u>	<u>17,000</u>	<u>69,000</u>	<u>+305.9%</u>
TOTAL	\$15,061,300	\$13,456,588	\$15,200,100	\$15,704,200	+3.3%

Service/Supplies – Operational

The proposed budget for Service/Supplies - Operational shows a decrease of \$357,800 (6.4%) from FY 2014-15. The decrease is primarily from fuel. In FY 2014-15, the fuel budget cost assumptions were based on the March 2014 Southern California Gas published price in March 2014; at that point it appears natural gas prices were headed higher. That month turned out to be the highest price point from 2008 to the present, as natural gas prices have dropped 30% in the past year. The FY 2015-16 budget fuel cost premise uses 10% above the twelve month average price as of March 2015. Additionally, in October 2014 GCTD implemented a new supplier agreement that provides an additional 4% discount off the published market price.

The largest item in the category is GCTD's contracted ACCESS paratransit service. GCTD projected a substantial increase in ridership for the current year; ridership increased but was lower than projections. Ridership is again expected to increase, but to a somewhat lower level than was originally projected for FY 2014-15. As a result, the FY 2015-16 budget is virtually unchanged from the FY 2014-15 budget.

Other changes in this category reflect modest increases in GCTD's planning and marketing programs, offset by decreases in certain line items to bring budget more in line with expenditure levels in FY 2014-15.

Table 4 shows the Operational Service/Supply expense budget.

TABLE 4
Gold Coast Transit
Service/Supplies – Operational Expenses
July 1, 2015 to June 30, 2016

	<u>FY13-14</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>Proposed</u>	<u>% +/-</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>FY16 vs.</u>
				<u>FY15-16</u>	<u>FY15</u>
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	667,400	536,762	1,155,500	839,400	(27.4%)
Tires	147,000	113,062	165,000	175,000	+6.1%
Repair Parts	585,000	584,374	667,000	662,000	(0.7%)
CNG Fuel Station	130,000	53,188	130,000	100,000	(23.1%)
Paratransit Service Contract	2,188,800	2,261,925	2,625,200	2,625,500	+0.0%
Contract Repair	315,000	150,469	300,000	270,000	(10.0%)
Contract Services	191,500	128,900	181,800	191,000	+5.1%
Supplies	135,800	136,247	154,500	153,800	(0.5%)
Tickets/Schedules	61,000	79,250	80,500	91,000	+13.0%
Marketing	38,000	48,664	102,700	125,600	+22.3%
Interest Expense	4,000	2,648	3,200	3,000	N/M
OTC Facilities *	34,000	10,950	24,000	11,600	(51.7%)
Maintenance Agreements	20,000	19,339	22,500	6,200	(72.4%)
Warranty Recovery	0	0	0	0	+0.0%
TOTAL	\$4,517,500	\$4,125,778	\$5,611,900	\$5,254,100	(6.4%)

* OTC - Oxnard Transportation Center

Service/Supplies – Support

The proposed budget for service/supplies support in FY 2015-16 shows an increase of \$91,300 (8.7%) from FY2014-15, primarily due to increases in GCTD’s costs for liability insurance and an increased level of effort for audit services directly related to the change from being a JPA to being a District.

Budgeted costs for general liability insurance will increase in FY 2015-16 compared to FY 2014-15. GCTD belongs to the California Transit Systems Joint Powers Authority, or CalTIP, a joint powers insurance authority consisting of thirty-five member transit operators joining together to provide more stable, cost-effective risk financing and risk management services. CalTIP has seen a significant increase in the cost of transit liability cases over the past two years, and that increase is reflected in FY 2015-16 rates. GCTD continues to benefit from adjustments for certain prior years having closed with lower-than-expected claims.

The Supplies line item increased as the result of requirements for planned initiatives in upgrading information technology and employee training and development.

Table 5 shows the Support Service and Supply expense budget.

TABLE 5

**Gold Coast Transit
Service/Supplies – Support Expenses
July 1, 2015 to June 30, 2016**

	<u>FY13-14</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>Proposed</u>	<u>% +/-</u>	<u>\$ +/-</u>
<u>Service/Supplies - Support</u>	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>FY16 vs.</u>	<u>FY15</u>
				<u>FY15-16</u>	<u>FY15</u>	<u>FY15</u>
Telephones/Utilities	176,500	171,177	188,800	192,600	+2.0%	3,800
Insurance	523,500	470,114	536,400	582,600	+8.6%	46,200
Contract Services	68,000	60,995	70,000	70,000	+0.0%	0
Supplies	78,700	104,414	73,200	95,000	+29.8%	21,800
Legal	91,200	52,173	76,000	72,000	(5.3%)	-4,000
Audit	20,000	20,703	21,000	40,000	+90.5%	19,000
Officers & Directors	36,000	33,848	36,000	40,000	+11.1%	4,000
Dues	44,000	35,692	45,000	45,500	+1.1%	500
TOTAL	\$1,037,900	\$949,115	\$1,046,400	\$1,137,700	+8.7%	\$91,300

CAPITAL IMPROVEMENTS

Capital Project Funding

GCTD capital projects are typically funded by a combination of Federal, State and local matching funds. FTA Section 5307 funds are provided on a formula basis and may be programmed for capital projects, typically at 80% of the cost, with a 20% required local

match. For certain qualifying projects, Congestion Mitigation and Air Quality (CMAQ) funds may be programmed; CMAQ funds vary from 75% to 100% of the project cost with any remainder made up from local matching funds. CMAQ funding may be programmed for the purchase of alternative fuel buses (such as CNG).

GCTD historically was eligible to apply for funds under FTA Section 5309, which provided a discretionary competitive allocation for Bus Facilities-related capital projects. In 2011 GCTD received \$15 million for the New Administration and Operations Facility from a Section 5309 grant. The current FTA transit funding authorizing legislation, MAP-21, is a two-year authorization bill passed in 2012 and subsequently extended. This bill restructured federal transit funding in a number of areas which generally favored larger and rail-oriented transit providers. By reallocating Section 5309 Bus and Bus Facilities funding to new Section 5339 formula funds, MAP-21 provided a very small net increase to GCTD annual formula funding while curtailing GCTD's ability to pursue the type of grants that would previously have been available to complete the new facility.

GCTD has received numerous grant awards for State funds for capital projects under the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA), created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. PTMISEA-funded projects typically do not require a local funding component.

Local matching funds are provided through the GCTD Capital Reserve. The capital reserve allows funding for major capital projects to be planned and funded in advance without placing sudden or excessive demands on local funding sources. The District normally provides for a contribution to the Capital Reserve as part of the budgeting process. The budgeted capital reserve contribution for FY 2015-16 is \$500,000.

In April 2015 GCTD was notified that it would be receiving a \$2.27 million supplemental LTF allocation for FY 2014-15; the Board directed staff to dedicate that amount in its entirety to the capital reserve. Including that contribution (receipt pending) and the budgeted \$300,000 contribution for FY 2014-15, it is anticipated that the capital reserve fund balance will be approximately \$6.5 million on June 30, 2015.

Additionally, in FY 2014-15, GCTD began providing capital reserve funds programmed for funding members' transit-related projects. These contributions are discretionary and included in the budget process. The budgeted contributions were \$80,000 for FY 2014-15 and will be \$50,000 for FY 2015-16.

Ten-Year Capital Project Plan

A capital project plan has been developed to ensure that:

- GCTD plans for the necessary fleet, facilities and equipment to provide service in a safe and cost efficient manner;

- Capital costs are identified and programmed in advance and distributed throughout a number of fiscal cycles to avoid sudden or excessive demand on local funding sources;
- A capital reserve is established to allow for major procurements without sudden or excessive demand on funding sources. Although most of GCTD's major capital investments are made using grant funding, many grants (including most Federal grants) require the agency to provide matching funds; and
- Long lead times required for certain tasks are understood and accommodated. The development of specifications and the required competitive procurement process for selecting a bus manufacturer can easily take six to twelve months, and it may take the manufacturer another one to two years to build and deliver a transit bus.

Proposed Capital Projects

The most significant item in GCTD's Ten-Year Capital Project Plan is the New Administration and Operations Facility. The existing facility is operating well above its designed capacity; it is far smaller than the industry standard for our current fleet and service level. Staffing and service expansion are not feasible on the existing site.

The working estimate-at-completion for the facility is \$52.1 million. GCTD has \$26.3 million in identified funding for this project, including \$16.1 million in Federal grants and \$10.2 in State grants, including PTMISEA funds, Proposition 1B Safety & Security funds and, more recently "cap and trade" funds from the Low Carbon Transit Operations Program (LCTOP). GCTD is currently working to identify the remainder of project funding. The District in June 2015 is applying for a Federal TIGER grant for \$11.25 million. At the same time, the Board has approved proceeding with bond financing (COPs) for the unfunded portion of the New Administration and Operations Facility.

Other significant items on the ten-year capital project plan include provision of expansion buses for anticipated service growth, periodic replacement of our current bus, paratransit and service vehicle fleets, major bus fleet refurbishment and additions to the District's technology in support of more efficient transit service and a more productive workforce.

The total projected cost for all items on the ten-year capital project plan is \$111.8 million, which includes \$52.1 million for the new facility project (Table 6), \$10.7 of other programmed projects for which funding has been identified (Table 7) and \$49 million of programmed projects (listed in Table 8) over the next ten years for which funding has not yet been identified. A summary of the program appears in Table 9.

Historically the Federal government has authorized its transit capital funding programs in five or six-year authorization cycles. As previously discussed, the current authorizing legislation, MAP-21, included changes that impacted GCTD's ability to pursue the type of grants that will be required to fund much of this Capital Plan. Industry groups representing small operators such as GCTD have made progress working with congressional leaders to address this issue for the next authorization; however no legislation has been enacted at this time.

TABLE 6
Gold Coast Transit
Ten-Year Capital Project Plan –New Facility Funding Program

<u>Description</u>	<u>Funding Type</u>	<u>Federal</u>	<u>State Funds- (PTMISEA/ PROP 1B/ LCTOP)</u>	<u>Local / Other</u>	<u>Total</u>
New Facility Requirements Planning	5309 Funds - Expended	\$475,000	\$111,504	\$7,246	\$593,750
New Operations & Administration Facility	5307 Funds - Expended	\$400,000	\$100,000		\$500,000
New Operations & Administration Facility	5307 Funds	\$200,000	\$50,000		\$250,000
New Operations & Administration Facility	5309 Funds	\$15,000,000	\$3,750,000		\$18,750,000
ALTERNATIVE #1					
TIGER Grant (Application Pending)	TIGER - Federal	\$11,250,000	\$6,171,522	\$5,834,828	\$23,256,350
Proceeds from COPs (Revenue Bonds)	Other			\$8,750,000	\$8,750,000
TOTAL - ALTERNATIVE #1		\$27,325,000	\$10,183,026	\$14,592,074	\$52,100,100
ALTERNATIVE #2					
TIGER Grant (Application Pending)	TIGER - Federal	\$0	\$6,171,522	\$5,834,828	\$12,006,350
Proceeds from COPs (Revenue Bonds)	Other			\$20,000,000	\$20,000,000
TOTAL - ALTERNATIVE #2		\$16,075,000	\$10,183,026	\$25,842,074	\$52,100,100

TABLE 7
Gold Coast Transit
Ten-Year Capital Project Plan – Projects with Identified Funding

<u>Description</u>	<u>Funding Type</u>	<u>Federal</u>	<u>State Funds- (PTMISEA/ PROP 1B/ LCTOP)</u>	<u>Local / Other</u>	<u>Total</u>
Service Vehicle	5307 Funds	\$20,000		\$5,000	\$25,000
Support Equipment	5307 Funds	\$120,000		\$30,000	\$150,000
Eleven (11) Replacement Buses and Two (2) Expansion Buses	CMAQ / PTMISEA	\$3,040,000	\$3,560,093		\$6,600,093
CSC Remodel	PROP 1B - Funded		\$54,000	\$121,000	\$175,000
Automatic Vehicle Stop Annunciators / Onboard ITS System Upgrades	PTMISEA - Funded		\$597,962		\$597,962
Replace Paratransit Vehicles (8)	PTMISEA - Funded		\$866,667		\$866,667
Replace Paratransit Vehicles (16)	PTMISEA - Committed		\$1,733,333		\$1,733,333
ADA Call Back System	PTMISEA - Funded		\$71,041		\$71,041
ERP System - Human Resources Module	5307 Funds	\$7,900		\$2,000	\$9,900
ERP System - Procurement Suite Module	5307 Funds	\$30,900		\$7,700	\$38,600
Virtualization Platform Server & Storage	5307 Funds	\$32,000		\$8,000	\$40,000
Windows DataCenter Software	5307 Funds	\$16,000		\$4,000	\$20,000
Upgrade Network Switch Infrastructure	5307 Funds	\$9,600		\$2,400	\$12,000
SQL Servers (2) Upgrade	5307 Funds	\$22,600		\$5,600	\$28,200
Mobile-Plan Publishing Module	5307 Funds	\$16,000		\$4,000	\$20,000
Mobile-Plan to AVN Interface	5307 Funds	\$12,800		\$3,200	\$16,000
Point-of-Sale Inventory Control Module	5307 Funds	\$24,600		\$6,100	\$30,700
Point-of-Sale Bulk Order Management /A/	5307 Funds	\$24,600		\$6,100	\$30,700
<u>FY15-16 Program of Projects</u>					
Service Vehicles (2)	5307 Funds	\$40,000		\$10,000	\$50,000
Bus Stop Upgrades	5307 Funds	\$40,000		\$10,000	\$50,000
Business Systems Upgrades	5307 Funds	<u>\$80,000</u>		<u>\$20,000</u>	<u>\$100,000</u>
TOTAL		\$3,537,000	\$6,883,096	\$245,100	\$10,665,196

TABLE 8
Gold Coast Transit
Ten-Year Capital Project Plan – Projects Programmed / Funding Not Identified

<u>Project/Project Year</u>	<u>Budget Year</u>	<u>Federal</u>	<u>State</u>	<u>Local / Other</u>	<u>Total</u>
<u>FY 2016-17</u>					
Maintenance Support Vehicles	2016-17	\$37,000		\$9,000	\$46,000
Miscellaneous Support Equipment	2016-17	\$92,000		\$23,000	\$115,000
Service Vehicles (3)	2016-17	\$68,000		\$16,000	\$84,000
Supervisor Van	2016-17	\$45,000		\$11,000	\$56,000
		\$242,000		\$59,000	\$301,000
<u>FY 2017-18</u>					
Expansion Transit Buses (4)	2017-18	\$1,984,000		\$496,000	\$2,480,000
Miscellaneous Support Equipment	2017-18	\$96,000		\$24,000	\$120,000
Service Vehicles (2)	2017-18	\$47,000		\$11,000	\$58,000
		\$2,127,000		\$531,000	\$2,658,000
<u>FY 2018-19</u>					
Expansion Transit Buses (4)	2018-19	\$2,036,000		\$508,000	\$2,544,000
Miscellaneous Support Equipment	2018-19	\$100,000		\$25,000	\$125,000
Replacement Paratransit Buses (8)	2018-19	\$487,000		\$121,000	\$608,000
Replacement Transit Buses (9)	2018-19	\$4,464,000		\$1,116,000	\$5,580,000
Service Vehicles (3)	2018-19	\$72,000		\$18,000	\$90,000
Supervisor Van	2018-19	<u>\$47,000</u>		<u>\$11,000</u>	<u>\$58,000</u>
		\$7,206,000		\$1,799,000	\$9,005,000
<u>FY 2019-20</u>					
Maintenance Support Vehicles	2019-20	\$104,000		\$26,000	\$130,000
Miscellaneous Support Equipment	2019-20	\$104,000		\$26,000	\$130,000
Replacement Paratransit Buses (8)	2020-21	\$807,000		\$201,000	\$1,008,000
Replacement Transit Buses (9)	2019-20	\$4,580,000		\$1,144,000	\$5,724,000
Service Vehicles (2)	2019-20	\$52,000		\$12,000	<u>\$64,000</u>
		\$5,647,000		\$1,409,000	\$7,056,000
<u>FY 2020-21</u>					
Expansion Transit Buses (4)	2020-21	\$2,138,000		\$534,000	\$2,672,000
Miscellaneous Support Equipment	2020-21	\$108,000		\$27,000	\$135,000
Replacement Paratransit Buses (8)	2020-21	\$807,000		\$201,000	\$1,008,000
Replacement Transit Buses (8)	2020-21	\$4,173,000		\$1,043,000	\$5,216,000
Replacement Transit Buses (9)	2020-21	\$4,810,000		\$1,202,000	\$6,012,000
Supervisor Van	2020-21	<u>\$48,000</u>		<u>\$12,000</u>	<u>\$60,000</u>
		\$12,084,000		\$3,019,000	\$15,103,000

TABLE 8 (continued)
Gold Coast Transit
Ten-Year Capital Project Plan – Projects Programmed / Funding Not Identified

<u>Project/Project Year</u>	<u>Budget Year</u>	<u>Federal</u>	<u>State</u>	<u>Local / Other</u>	<u>Total</u>
<u>FY 2020-21</u>					
Expansion Transit Buses (4)	2020-21	\$2,138,000		\$534,000	\$2,672,000
Miscellaneous Support Equipment	2020-21	\$108,000		\$27,000	\$135,000
Replacement Paratransit Buses (8)	2020-21	\$807,000		\$201,000	\$1,008,000
Replacement Transit Buses (8)	2020-21	\$4,173,000		\$1,043,000	\$5,216,000
Replacement Transit Buses (9)	2020-21	\$4,810,000		\$1,202,000	\$6,012,000
Supervisor Van	2020-21	<u>\$48,000</u>		<u>\$12,000</u>	<u>\$60,000</u>
		\$12,084,000		\$3,019,000	\$15,103,000
<u>FY 2021-22</u>					
Miscellaneous Support Equipment	2021-22	\$112,000		\$28,000	\$140,000
Replacement Transit Buses (8)	2021-22	\$4,384,000		\$1,096,000	\$5,480,000
Service Vehicles (3)	2021-22	<u>\$82,000</u>		<u>\$20,000</u>	<u>\$102,000</u>
		\$4,578,000		\$1,144,000	\$5,722,000
<u>FY 2022-23</u>					
Expansion Transit Buses (4)	2022-23	\$2,247,000		\$561,000	\$2,808,000
Maintenance Support Vehicles	2022-23	\$42,000		\$10,000	\$52,000
Miscellaneous Support Equipment	2022-23	\$116,000		\$29,000	\$145,000
Service Vehicles (2)	2022-23	\$55,000		\$13,000	\$68,000
Supervisor Van	2022-23	<u>\$52,000</u>		<u>\$12,000</u>	<u>\$64,000</u>
		\$2,512,000		\$625,000	\$3,137,000
<u>FY 2023-24</u>					
Expansion Transit Buses (4)	2023-24	\$2,304,000		\$576,000	\$2,880,000
Miscellaneous Support Equipment	2023-24	\$120,000		\$30,000	\$150,000
Service Vehicles (3)	2023-24	<u>\$84,000</u>		<u>\$21,000</u>	<u>\$105,000</u>
		\$2,508,000		\$627,000	\$3,135,000
<u>FY 2024-25</u>					
Supervisor Van	2024-25	\$53,000		\$13,000	\$66,000
Expansion Transit Buses (4)	2024-25	\$2,304,000		\$576,000	\$2,880,000
		\$2,357,000		\$589,000	\$2,946,000
TOTAL		<u>\$39,261,000</u>	<u>\$0</u>	<u>\$9,802,000</u>	<u>\$49,063,000</u>
GCT TEN-YEAR CAPITAL PROGRAM TOTAL		<u>\$58,873,000</u>	<u>\$17,066,122</u>	<u>\$35,889,174</u>	<u>\$111,828,296</u>

TABLE 9
Gold Coast Transit
Ten-Year Capital Project Plan – Summary Tables

<u>Funding Year</u>	<u>Federal</u>	<u>State</u>	<u>Local/ Other</u>	<u>Total</u>
New Facility	\$16,075,000	\$10,183,026	\$25,842,074	\$52,100,100
Other Projects/Identified Funding	\$3,537,000	\$6,883,096	\$245,100	\$10,665,196
FY 2016-17	\$242,000	\$0	\$59,000	\$301,000
FY 2017-18	\$2,127,000	\$0	\$531,000	\$2,658,000
FY 2018-19	\$7,206,000	\$0	\$1,799,000	\$9,005,000
FY 2019-20	\$5,647,000	\$0	\$1,409,000	\$7,056,000
FY 2020-21	\$12,084,000	\$0	\$3,019,000	\$15,103,000
FY 2021-22	\$4,578,000	\$0	\$1,144,000	\$5,722,000
FY 2022-23	\$2,512,000	\$0	\$625,000	\$3,137,000
FY 2023-24	\$2,508,000	\$0	\$627,000	\$3,135,000
FY 2024-25	\$2,357,000	\$0	\$589,000	\$2,946,000
Total - All Projects	<u>\$58,873,000</u>	<u>\$17,066,122</u>	<u>\$35,889,174</u>	<u>\$111,828,296</u>
<u>by Funding Status</u>				
New Facility	\$16,075,000	\$10,183,026	\$25,842,074	\$52,100,100
Other Projects Programmed / Funding Identified	\$3,537,000	\$6,883,096	\$245,100	\$10,665,196
Other Projects Programmed / Funding NOT Identified	<u>\$39,261,000</u>	<u>\$0</u>	<u>\$9,802,000</u>	<u>\$49,063,000</u>
	<u>\$58,873,000</u>	<u>\$17,066,122</u>	<u>\$35,889,174</u>	<u>\$111,828,296</u>
<u>by Project Type</u>				
New Facility	\$16,075,000	\$10,183,026	\$25,842,074	\$52,100,100
New Buses	\$38,464,000	\$3,560,093	\$8,852,000	\$50,876,093
New Paratransit Vehicles	\$2,101,000	\$2,600,000	\$523,000	\$5,224,000
On-Board Equipment	\$0	\$597,962	\$0	\$597,962
Business Technology	\$277,000	\$71,041	\$69,100	\$417,141
Bldgs & Equipment	\$968,000	\$54,000	\$363,000	\$1,385,000
Service Vehicles	\$948,000	\$0	\$230,000	\$1,178,000
Other	<u>\$40,000</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$50,000</u>
Total - All Projects	<u>\$58,873,000</u>	<u>\$17,066,122</u>	<u>\$35,889,174</u>	<u>\$111,828,296</u>

Depreciation

Capital assets are depreciated over the course of their useful life. Table 11 is the depreciation schedule for FY 2015-16.

TABLE 10

Gold Coast Transit - Depreciation Schedule July 1, 2015 to June 30, 2016

<u>Item</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>
Facility	478,960	486,481	494,781	495,720
Buses	1,794,665	1,698,467	1,604,163	1,817,489
Other Vehicles	73,511	61,291	38,428	35,472
Shop Equipment	25,700	19,478	19,478	19,478
Office/Other Equipment	130,901	240,904	233,107	355,701
OTC Improvements	0	0	5,000	4,000
Intangible Assets	0	13,134	8,756	0
Paratransit Revenue Vehicles	401,972	0	54,200	99,161
Paratransit Other Equipment	<u>21,996</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Depreciation	\$2,927,705	\$2,519,756	\$2,457,913	\$2,827,021

OPERATING REVENUE

Funding for GCTD operating activities is derived from several sources, including passenger fares; local, state and federal funds; bus advertising sales, other local revenues and interest income. Table 12 reflects the revenue for operating activities in FY 2015-16.

TABLE 11

**Gold Coast Transit
Operating Budget Revenue
July 1, 2015 to June 30, 2016**

<u>Operating Revenues</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/(-) FY16 vs. FY15</u>
Passenger Fares-Fixed Route	\$2,870,000	\$2,996,373	\$2,993,700	\$3,285,400	+9.7%
Passenger Fares-Paratransit	\$166,600	\$202,324	\$224,100	\$213,500	(4.7%)
Special Transit Fares (FR) - Member Gov't	\$565,000	\$390,000	\$350,000	\$165,000	(52.9%)
Special Transit Fares (PT) - Member Gov't	\$80,000	\$30,000	\$0	\$0	N/A
Interest	\$18,000	\$13,885	\$15,000	\$12,000	(20.0%)
Advertising Income	\$200,000	\$231,998	\$225,000	\$245,000	+8.9%
Energy Credit Revenue	\$0	\$0	\$0	\$121,200	N/A
Other	\$1,000	\$13,603	\$1,000	\$1,000	+0.0%
Operating Assistance-State	\$192,000	\$192,000	\$250,000	\$210,000	(16.0%)
Operating Assistance-Local (LTF)	\$11,636,300	\$9,631,812	\$12,385,200	\$12,682,800	+2.4%
Demo Project - Vineyard Corridor Route	\$574,800	\$502,825	\$297,200	\$0	(100.0%)
Demo Project - Victoria Route	\$683,000	\$595,042	\$701,500	\$500,000	(28.7%)
Demo Project - Wells Center/Nyeland Acre:	\$0	\$0	\$0	\$684,000	N/A
JARC Funding For Route 20	\$110,000	\$110,000	\$129,500	\$133,400	+3.0%
Operating Assistance-Federal	\$1,000,000	\$1,000,000	\$1,100,000	\$1,050,000	(4.5%)
Preventive Maintenance-Federal	\$1,500,000	\$1,500,000	\$1,750,000	\$1,632,700	(6.7%)
Paratransit Assistance-Federal	\$940,000	\$940,000	\$990,000	\$840,000	(15.2%)
Planning Assistance-Federal	\$80,000	\$80,000	\$346,200	\$200,000	(42.2%)
Medi-Cal Reimbursement / Paratransit	\$0	\$96,217	\$100,000	\$120,000	+20.0%
Other Fed Grants and Reimbursements	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
TOTAL	\$20,616,700	\$18,526,078	\$21,858,400	\$22,096,000	+1.1%

Following is a brief discussion of each major revenue area.

Passenger Fares

Passenger fare revenues for FY 2014-15 are anticipated to finish the year approximately 7.7% higher than budgeted. Fixed route fares are projected to end the year 8.7% above the FY 2013-14 budgeted amount, attributable to increased boardings and higher-than-expected fare revenues per boarding. Paratransit fares are forecast to be 4.8% lower than the FY 2013-14 budgeted amount, attributable to lower-than-expected paratransit boardings.

The budget premise for FY 2015-16 fixed route fare revenue is \$3.29 million, a 1% increase from the current FY 2014-15 forecast of \$3.25 million. The budget premise for FY 2015-16 paratransit fare revenue is for \$213,500, slightly higher than the current FY 2013-14 forecast and 4.7 lower than the FY 2014-15 budget.

Table 13 shows the current GCTD passenger fare structure. The most recent changes were in FY 2013-14, when GCTD introduced changed the multi-ride ticket and monthly pass structure, replacing 10-ride, 20-ride and 30-ride passes with a 15-ride pass and replacing the monthly pass, which was valid for one calendar month, with a 31-day pass that is valid from the date of first use on any day of any month. This change was in conjunction with the new fare collection system installed in GCTD fixed route bus fleet in May 2013. The base cash fare amount has not changed since 2011.

TABLE 12
Gold Coast Transit Passenger Fare Structure

GCT FIXED ROUTE	<u>Fare Amount</u>	<u>Multi-Ride Ticket or Monthly Pass</u>	<u>Fare Amount</u>
<u>Cash Fares (One Way)</u>			
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. – restricted hours)	Free	31-Day Pass	\$40.00
Seniors 75+ (with GCT I.D or proof of age)	Free	Reduced Fare (Senior/Disabled)	
Children under 45" tall (when accompanied by paid fare)	Free	15-Ride	\$10.00
Day Pass (One-Day/Unlimited Boardings)	\$4.00	31-Day Pass	\$25.00
Day Pass for Seniors/Medicare/Disabled	\$2.00		
		<u>GCT ACCESS (Paratransit)</u>	
		Cash Fare (one-way) - ADA Certified or Senior	\$3.00
		Senior Nutrition (registered with County program)	Donation
		Book of Ten Tickets - ADA Certified or Senior	\$30.00

* Senior is 65 years of age and older w/proof of age

Fixed Route Ridership

Boardings in FY 2014-14 (through March) are trending 3% ahead of FY 2013-14, and are at the highest level since FY 2008-09. Projections are that GCTD will have the highest ridership in its history (records exist going back to FY 1981-82).

For FY 2015-16, the budget premise is that ridership will be 3.96 million boardings, 1.8% higher than the FY 2014-15 year-end projection.

Paratransit Ridership

Although paratransit ridership has not increased in FY 2014-15 to the budgeted level, Paratransit boardings for the first nine months are running 2.6% ahead of the same period for FY 2013-14. Last year ridership increased 16.3% and the previous year 3.4%, after decreases of 10.6%, 1.6% and 5.6% over the prior three years.

The premise for the FY 2015-16 budget is 90,000 boardings, an increase from the 85,000 projected for FY 2014-15 at year end.

Farebox Recovery

The *California Code of Regulations*, § 6633.2 requires that a transit service claimant in an urbanized area, to qualify for allocation of TDA funds, must have a systemwide ratio of fare revenues to operating cost of at least twenty percent (20%), or that the claimant

realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. Other revenue from non-TDA (or non-FTA) sources, such as local funds, other fare payments, advertising revenue or other District-generated revenue, may be included as fare revenue in this calculation.

Beginning in FY 2007-08, GCTD began receiving local funds from its JPA member cities as Special Transit Fares, and included it in the FBRR calculation. Additionally, GCTD sells advertising on its buses, and beginning in FY 2011-12, advertising revenues have been included in the calculation. In FY 2013-14, GCTD started receiving from Ventura County partial reimbursement for paratransit service to Medi-Cal patients, and this revenue is included in the farebox calculation. In FY 2014-15, GCTD began utilizing a regulation that allows it to remove from the calculation the cost and fare revenues associated with new routes or new route extensions. In FY 2014-15, GCTD established a new revenue stream by generating and selling State and Federal credits related to the purchase and use of low-carbon natural gas to fuel the fleet; the District is including that revenue in the calculation as well.

The State legislature is presently considering SB508, a bill which would clarify some of the ambiguity surrounding the FBRR requirement. GCTD's Board recently took a position in support of SB508.

Table 14 shows for the past five years, as well as for the current year and the budgeted year, (1) the unlinked passenger trips, fare revenue and FBRR for fixed route service, (2) the one-way trips, fare revenue and FBRR for paratransit service and (3) the systemwide ratio of fare revenues to operating cost.

TABLE 13

**Gold Coast Transit
Ridership, Revenue and Farebox Return
FY 2009-10 to FY 2015-16**

<u>Fiscal Year</u>	<u>(1) Fixed Route</u>			<u>(2) Paratransit</u>			<u>(3) Total</u>
	<u>Unlinked Passenger Trips</u>	<u>Farebox</u>	<u>Farebox Return</u>	<u>One Way Trips</u>	<u>Farebox</u>	<u>Farebox Return</u>	<u>Farebox Return</u>
FY 2009-10	3,442,005	\$2,975,992 *	22.2%	77,985	\$161,839	7.5%	20.2%
FY 2010-11	3,353,539	\$2,581,811 *	21.3%	76,730	\$164,858 *	12.1%	20.1%
FY 2011-12	3,476,408	\$3,274,747 *	22.8%	68,618	\$243,823 *	12.0%	21.4%
FY 2012-13	3,566,470	\$3,127,978 *	21.7%	70,927	\$240,054 *	10.7%	20.2%
FY 2013-14	3,817,758	\$3,334,180 **	24.2%	82,495	\$328,541 **	13.1%	22.5%
FY 2014-15 (Projected)	3,875,000	\$3,518,501 **	24.0%	85,000	\$370,761 **	14.5%	22.6%
FY 2015-16 (Budgeted)	3,960,700	\$ 3,696,136 **	20.7%	90,000	\$ 333,500 **	11.4%	19.4% #

* Includes other Local Revenue in Farebox Calculation

** Includes Advertising and other Local Revenue in Farebox Calculation and adjustment for cost/fares on New/Expanded Routes

Farebox Recovery Ratio compliance to be achieved by realizing both 20% on Fixed Route and 10% on Paratransit

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. Interest revenue for FY 2014-15 was budgeted at \$15,000. Actual income will finish somewhat lower, based on continuing low interest rates and slightly lower-than expected average balances. The budget for FY 2015-16 is \$12,000. Other income consists of the sale of miscellaneous surplus property and is largely unanticipated activity. The budget for FY 2015-16 is \$1,000.

Advertising Income

GCTD has internally managed a commercial bus advertising sales program since FY 2006-07, and continues to attract advertising contracts from both local and national entities. Projected revenues for FY 2014-15 are forecast to be approximately \$234,000. The advertising sales revenue budget for FY 2013-14 is \$245,000.

Medi-Cal Reimbursement – Paratransit

GCTD included in its revenue budget for the first time in FY 2014-15 funds received through Ventura County to partially reimburse GCTD for providing Medi-Cal eligible trips on the GCTD ACCESS service, under the Medi-Cal Administrative Activities (MAA) program. Funding is based on establishing eligibility on a trip-by-trip basis and is received in arrears. GCTD worked with Ventura County Public Health for several years to establish this program.

Reimbursement levels for this program are calculated and funds are received well after the close of the fiscal year in which services are provided, so revenues will be accounted for as received. The MAA Reimbursement budget for FY 2015-16 is \$120,000.

Energy Credit Revenue

Commencing in FY 2014-15 and budgeted for the first time in FY 2015-16, GCTD 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 fleet. Based on the activity and value of the credits since October 2014, the budget for Energy Credit Revenues in FY 2015-16 is \$121,000. It is anticipated that the market for LCFS credits will increase as the program evolves.

State Transit Assistance Funds

State Transit Assistance (STA) Funds are allocated directly to GCTD from the State Controller's Office through VCTC. In 2010, after the state had eliminated STA funds during a budget crisis, they were restored in response to a successful lawsuit. STA is now funded by a state sales tax on diesel fuel.

GCTD budgets for STA revenue using very preliminary estimates and normally claims only the budgeted amount, so GCTD will often carry a balance over from year to year when receipts exceed estimates. The preliminary estimate for GCTD's FY 2015-16 STA allocation is \$183,394. Including some funds to be carried over from FY 2014-15, GCTD has budgeted \$210,000 in STA revenue for FY 2015-16.

Federal Grant Funds

GCTD receives FTA Section 5307 formula funds for operating assistance, service administration and support, capital assistance for paratransit and preventive maintenance activities, and capital programming. The matching ratio for Section 5307 formula funds is 80 percent federal and 20 percent local for capital and planning assistance, and 50 percent federal and 50 percent local for operating assistance. The allocation amount of Section 5307 formula funds is determined by the population of the area and the level of service provided.

Based on expected funding, VCTC's Program of Projects (POP) for FY 2015-16 allocates to GCTD \$3,942,691, nearly equal to the amount allocated to GCTD in the FY 2014-15 POP. The FY 2015-16 POP is allocated as follows:

- \$ 1,050,000 for Operating Assistance
- \$ 200,000 for Service Administration and Support
- \$ 840,000 for Paratransit Assistance
- \$ 1,592,691 for Preventive Maintenance
- \$ 100,000 for GCTD Operations & Administrative Facility (Capital Project)
- \$ 40,000 for Service Vehicles (Capital Project)
- \$ 40,000 for Bus Stop Upgrades (Capital Project)
- \$ 80,000 for Business Systems Upgrades (Capital Project)

By comparison, GCTD's Section 5307 funding allocation for FY 2009-10 was \$3,297,552, for FY 2010-11 was \$3,241,097, for FY 2011-12 was \$3,440,103, for FY 2012-13 was \$3,542,859, for FY 2013-14 was \$3,840,593 and for FY 2014-15 was \$3,940,593.

GCTD will carry \$1.7 million in grant funds for operating budget activities from a prior year allocation into FY 2015-16. The District has carried a similar one-year backlog for several years; this eases cash flow concerns for a revenue source that typically is not available to the District until the end of our fiscal year. For the FY 2015-16 Operating Budget GCTD will make use of \$40,000 in prior year grants available for preventive maintenance.

In the FY 2015-16 budget GCTD will use FTA Congestion Mitigation and Air Quality (CMAQ) Improvement Program funds for two demonstration projects; \$500,000 for a full year of a three-year demonstration service serving the Victoria Avenue corridor between Port Hueneme and Ventura, and \$684,000 for the first (partial) year of a three-year demonstration service serving the Saticoy (Wells Center) and Nyeland Acres corridor. GCTD will also claim \$133,400 from a Jobs Access – Reverse Commute (JARC)

program grant to support Route 20, the OTC/Lombard/Gonzalez/Fifth St. Route. This project started in August 2013, and the grant runs through 2016. The match requirement for these grants varies based on the individual grant requirements.

Table 15 summarizes Federal grant funds in the FY 2015-16 operating budget.

**TABLE 14
Grant Funded Revenue - FY 2015-16 Operating Budget**

<u>Operating Assistance - Federal - (50%)</u>	<u>Total</u>	<u>Federal</u>	<u>Local</u>
Operating Assistance	\$ 2,100,000	\$ 1,050,000	\$ 1,050,000
<u>Planning Assistance - Federal (80%)</u>			
Transit Service Administration and Support	\$ 125,000	\$ 100,000	\$ 25,000
Marketing & Passenger Awareness Activities	\$ 125,000	\$ 100,000	\$ 25,000
<u>Capital Assistance - Federal (80%)</u>			
ADA Paratransit Service	\$ 1,050,000	\$ 840,000	\$ 210,000
Preventive Maintenance	\$ 2,040,864	\$ 1,632,691	\$ 408,173
 TOTAL 5307 Formula Grant Funds	 \$ 5,440,864	 \$ 3,722,691	 \$ 1,718,173
<u>Demonstration Projects - Federal CMAQ/JARC</u>			
Victoria Ave. Demonstration Service - CMAQ (88.5%)	\$ 564,972	\$ 500,000	\$ 64,972
Wells Center/Nyeland Acres Demonstration Service - CMAQ (88.5%)	\$ 772,881	\$ 684,000	\$ 88,881
OTC/Lombard/Gonzalez/Fifth Route - JARC (50%)	\$ 1,183,400	\$ 133,400	\$ 1,050,000
	\$ 2,521,253	\$ 1,317,400	\$ 1,203,853
 TOTAL Federal Funds in GCTD Operating Budget	 \$ 7,962,117	 \$ 5,040,091	 \$ 2,922,026

Local Assistance

Local Transportation Funding (LTF) is the single largest source of GCTD funding for operating costs. The funds are generated through a state quarter-cent sales tax authorized by the state Transportation Development Act (TDA). LTF funds are allocated by VCTC to each local jurisdiction through a population-based formula.

On July 1, 2014 GCTD changed from a JPA to a transit district. Under GCTD's district legislation, it is entitled to claim all of the LTF allocated to its members; however GCTD members may claim from GCTD a portion of those funds for transit services or the operation and maintenance of locally supported transit facilities. The district's by-laws provide for this process, by which each member may submit to GCTD its LTF funding requests. GCTD and its members established a baseline for recurring expenses in FY 2014-15; this baseline is the initial basis for future years' claim requests. Requests for non-recurring expenses will be assessed and either funded in the current year or incorporated into the capital planning process.

For FY 2015-16, the full LTF allocation to GCTD is \$15,472,479, and members' claims for recurring transit services costs total \$2,504,498, leaving \$12,970,981 available to GCTD. For comparison, in FY 2013-14, the final year of the GCTD JPA, GCTD received \$11,116,175 in LTF from its members for the provision of transit services.

GCTD will in FY 2015-16 also fund \$125,000 for two discretionary member capital projects and \$165,000 for the Oxnard Harbor and Beaches Dial-a-Ride, with Oxnard providing GCTD with \$165,000 in local funds.

A summary of FY 2015-16 LTF Revenue and funding detail for members' recurring and non-recurring transit services items is shown in Table 16. A summary of GCTD's sources and uses of FY 2015-16 revenues is shown in Table 17.

TABLE 15
Gold Coast Transit
LTF Revenue and Members' Transit Services Funding
FY 2015-16

<u>TDA - LTF REVENUE PROJECTIONS</u>	<u>TOTAL</u>	<u>OJAI</u>	<u>OXNARD</u>	<u>PORT HUENEME</u>	<u>VENTURA</u>	<u>VENTURA COUNTY</u>	
June 2015 - FY15-16 Revenue (Subject to Final VCTC Approval 6/5/15)	<u>\$15,472,479</u>	<u>\$265,644</u>	<u>\$7,194,151</u>	<u>\$794,557</u>	<u>\$3,815,677</u>	<u>\$3,402,450</u>	
<u>FUNDING REQUESTS FOR RECURRING TRANSIT REQUIREMENTS</u>							
Ojai Trolley Operations & Maintenance	Ojai	(\$159,951)	(\$159,951)				
OTC Operation & Maintenance / Transit Services	Oxnard	(\$450,000)	(\$450,000)				
VTC Operation & Maintenance	Ventura	(\$253,250)			(\$253,250)		
Recurring Bus Stop Maintenance	Oxnard/P.H.	(\$80,390)	(\$50,000)	(\$30,390)			
Bus Stop Amenities	Port Hueneme	(\$25,325)		(\$25,325)			
Transit Service - Heritage Valley	Ventura County	(\$550,000)				(\$550,000)	
Transit Service - Oak Park D-A-R	Ventura County	(\$250,000)				(\$250,000)	
Transit Service - Ojai Trolley	Ventura County	(\$192,582)				(\$192,582)	
Transit Service - T.O. D-A-R	Ventura County	(\$90,000)				(\$90,000)	
Transit Service - Kanan Road Shuttle	Ventura County	(\$450,000)				(\$450,000)	
TOTAL - RECURRING TRANSIT REQUIREMENTS		<u>(\$2,501,498)</u>	<u>(\$159,951)</u>	<u>(\$500,000)</u>	<u>(\$55,715)</u>	<u>(\$253,250)</u>	<u>(\$1,532,582)</u>
FY 2015-16 FUNDING BASELINE	\$2,469,679	\$110,204	\$506,500	\$55,715	\$253,250	\$1,544,010	
Amount Requested Under/(Above) Baseline	(\$31,819)	(\$49,747)	\$6,500	\$0	\$0	\$11,428	
<u>Additional Budget Item - Funded in Return for Provision of Local Funding</u>							
Operate Harbor & Beaches Dial-a-Ride	Oxnard	(\$165,000)	(\$165,000)				
<u>REQUESTED MEMBER CAPITAL IMPROVEMENTS (FUNDED)</u>							
Bus Stop Upgrades	Ventura County	(\$75,000)				(\$75,000)	
Ojai Trolley Five-Bay Bus Shelter	Ojai	(\$50,000)	(\$50,000)				
TOTAL CAPITAL IMPROVEMENTS		<u>(\$125,000)</u>	<u>(\$50,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$75,000)</u>
Available for GCTD		<u>\$12,680,981</u>					

TABLE 16
Gold Coast Transit
Sources and Uses of FY 2015-16 Revenues

<u>FY2015-16 Revenue Sources</u>		<u>FY2015-16 Revenue Uses</u>	
Federal Revenue -5307 Formula	\$ 3,942,691	Operating Budget	\$22,096,000
Federal Revenue -5307 Prior Year	40,000	Member Recurring Transit Requirements	\$2,501,498
Federal Revenue - CMAQ / JARC	1,317,400	Member Capital Improvements	\$125,000
State Transit Assistance	210,000	Harbor & Beaches Dial-a-Ride	
LTF Revenue - (FY2015-16)	15,472,479	<i>(Offset for Local Revenue)</i>	\$165,000
LTF - FY13-14 Carryover	1,754,488	Federal 5307 - Capital Projects	\$260,000
Local Revenue - Oxnard	165,000	<u>Contributions to Capital Reserve:</u>	
Passenger Fares	3,498,900	Member Transit Projects	\$50,000
MAA Fare Reimbursements	120,000	Capital Reserve (Dedicated to Bond Interest)	\$1,107,000
Advertising Revenue	245,000	GCTD Capital Reserve Contribution	\$500,000
Energy Credit Sale Revenue	121,200		
Other Revenue	<u>13,000</u>	LTF Deferred to FY16-17 (Operating Reserve)	<u>\$95,660</u>
Total Current Year Sources	\$ 26,900,158	Total Current Year Revenue Uses	\$26,900,158

APPENDIX A – Operational Unit FY 2015-16 Budgets

**TABLE 17
Fixed Route Operating Budget
July 1, 2015 to June 30, 2016**

<u>FIXED ROUTE</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/- FY16 vs. FY15</u>
<u>Employees</u>					
Salaries	7,026,200	6,480,715	6,959,400	7,227,400	+3.9%
Health Benefits	1,196,500	1,138,026	1,232,600	1,358,400	+10.2%
WCI	746,800	734,908	773,600	794,500	+2.7%
Retirement	1,421,300	1,224,630	1,450,700	1,326,000	(8.6%)
Other Benefits	164,200	118,611	174,500	147,100	(15.7%)
Uniforms	55,300	45,781	56,500	56,500	+0.0%
Medical Exams	33,000	32,109	35,000	37,000	+5.7%
Safety & Training	13,000	25,456	17,500	22,500	+28.6%
<u>Service/Supplies - Operational</u>					
Fuel/Lube	595,900	443,393	982,200	709,700	(27.7%)
Tires	75,000	61,460	90,000	95,000	+5.6%
Supplies	10,000	6,102	11,000	6,500	(40.9%)
Maintenance Agreements	20,000	19,339	22,500	6,200	(72.4%)
<u>Service/Supplies - Support</u>					
Telephones/Utilities	<u>103,000</u>	<u>101,309</u>	<u>110,000</u>	<u>108,200</u>	(1.6%)
TOTAL	\$11,460,200	\$10,431,838	\$11,915,500	\$11,895,000	(0.2%)

TABLE 19

Maintenance Operating Budget
July 1, 2015 to June 30, 2016

<u>MAINTENANCE</u>	<u>FY13-14</u> <u>Budget</u>	<u>FY13-14</u> <u>Actuals</u>	<u>FY14-15</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY15-16</u>	<u>% +/-</u> <u>FY16 vs.</u> <u>FY15</u>
<u>Employees</u>					
Salaries	1,389,900	1,197,180	1,420,500	1,410,900	(0.7%)
Health Benefits	253,300	205,665	232,400	216,400	(6.9%)
WCI	101,600	99,982	109,100	108,700	(0.4%)
Retirement	275,400	281,342	271,500	256,200	(5.6%)
Other Benefits	44,000	20,947	50,900	41,600	(18.3%)
Uniforms	16,400	9,936	18,800	19,000	+1.1%
Medical Exams	6,000	5,061	6,200	6,200	+0.0%
Safety & Training	14,500	5,586	15,500	16,000	+3.2%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	19,000	18,469	23,000	23,000	+0.0%
Tires	72,000	51,603	75,000	80,000	+6.7%
Repair Parts	585,000	584,374	667,000	662,000	(0.7%)
CNG Fuel Station	130,000	53,188	130,000	100,000	(23.1%)
Contract Repair	315,000	150,469	300,000	270,000	(10.0%)
Supplies	125,300	129,685	143,000	141,800	(0.8%)
Warranty Recovery	0	0	0	0	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	47,400	45,385	49,700	47,800	(3.8%)
Contract Services	68,000	67,406	70,000	80,000	+14.3%
TOTAL	\$3,462,800	\$2,926,278	\$3,582,600	\$3,479,600	(2.9%)

TABLE 20

Administration Operating Budget
July 1, 2015 to June 30, 2016

<u>ADMINISTRATION</u>	<u>FY13-14</u> <u>Budget</u>	<u>FY13-14</u> <u>Actuals</u>	<u>FY14-15</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY15-16</u>	<u>% +/-</u> <u>FY16 vs.</u> <u>FY15</u>
<u>Employees</u>					
Salaries	986,800	750,874	1,064,400	1,168,700	+9.8%
Health Benefits	126,300	89,690	119,800	138,500	+15.6%
WCI	7,100	6,987	8,100	5,100	(37.0%)
Retirement	202,500	180,701	221,100	234,300	+6.0%
Other Benefits	42,100	43,117	49,000	45,100	(8.0%)
Uniforms	500	926	500	900	N/A
Medical Exams	800	979	1,000	1,000	+0.0%
Safety & Training	43,000	38,577	43,000	51,000	+18.6%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	23,900	22,117	26,200	26,500	+1.1%
Insurance	523,500	470,114	536,400	582,600	+8.6%
Contract Services	103,000	89,303	92,000	165,700	+80.1%
Supplies	76,700	100,182	71,700	93,500	+30.4%
Legal	91,200	52,173	76,000	72,000	(5.3%)
Interest Expense	4,000	2,648	3,200	3,000	N/M
Audit	20,000	20,703	21,000	40,000	+90.5%
Officers & Directors	36,000	33,848	36,000	40,000	+11.1%
Dues	<u>44,000</u>	<u>35,692</u>	<u>45,000</u>	<u>45,500</u>	+1.1%
Total	\$2,331,400	\$1,938,629	\$2,414,400	\$2,713,400	+12.4%

TABLE 21

Paratransit/ Planning and Marketing Operating Budget
July 1, 2015 to June 30, 2016

<u>PARATRANSIT / PLANNING AND MARKETING</u>	<u>FY13-14 Budget</u>	<u>FY13-14 Actuals</u>	<u>FY14-15 Budget</u>	<u>Proposed Budget FY15-16</u>	<u>% +/- FY16 vs. FY15</u>
<u>Employees</u>					
Salaries	625,000	473,439	613,900	702,400	+14.4%
Health Benefits	92,500	69,365	86,600	92,700	+7.0%
WCI	4,500	4,428	4,700	3,300	(29.8%)
Retirement	124,700	106,964	121,800	119,300	(2.1%)
Other Benefits	13,400	12,412	13,200	13,900	+5.3%
Uniforms	1,100	354	700	1,000	N/A
Medical Exams	600	336	600	600	+0.0%
Safety & Training	10,000	12,017	10,000	13,000	+30.0%
<u>Service/Supplies - Operational</u>					
Paratransit Service Contract	2,188,800	2,261,925	2,625,200	2,625,500	+0.0%
Fuel/Lubricants	52,500	74,900	150,300	106,700	(29.0%)
Tickets/Schedules	61,000	79,250	80,500	91,000	+13.0%
Marketing	38,000	48,664	102,700	125,600	+22.3%
Contracts	63,000	52,557	63,800	46,000	(27.9%)
OTC Facilities	34,000	10,950	24,000	11,600	(51.7%)
<u>Service/Supplies - Support</u>					
Telephones/Utilities	2,200	2,367	2,900	10,100	+248.3%
Supplies	2,500	4,692	10,500	7,000	(33.3%)
Contract Services	<u>48,500</u>	<u>20,117</u>	<u>43,000</u>	<u>38,300</u>	(10.9%)
TOTAL	\$3,362,300	\$3,234,737	\$3,954,400	\$4,008,000	+1.4%
PARATRANSIT	\$2,434,800	\$2,512,184	\$2,982,700	\$2,924,600	(1.9%)
PLANNING AND MARKETING	\$927,500	\$722,554	\$971,700	\$1,083,400	+11.5%

APPENDIX B – GLOSSARY

Audit – GCTD’s annual financial record audit performed by an independent CPA firm.

CNG Fuel Station – Maintenance and upgrade expenses related to GCTD’s onsite CNG fueling station.

Contracted Paratransit Service – Contract for the GCTD ACCESS paratransit service. This service is presently provided by MV Transportation.

Contract Repair – Expenses incurred to repair vehicles, equipment and facilities through outside vendors. Major overhauls of engines, transmissions, parts, painting, oil/fuel testing and other repairs are charged to this line item.

Contract Services – Expenses include computer hardware/software maintenance; office equipment maintenance, off-site storage fees, temporary help, janitorial, security, landscape and other services.

Dues – Fees associated with professional memberships or subscriptions, such as the American Public Transit Association, California Transit Association, National Safety Council and local Chambers of Commerce.

Employee Support – Includes: salaries, health benefits, worker’s compensation insurance, retirement, life insurance, uniforms, medical exams and safety programs.

Fuels/Lubricants – CNG and lubricant products for GCTD revenue and non-revenue vehicles. Also included are fuel taxes--GCTD is required to pay State Excise taxes of \$.01/therms of CNG – as well as any alternative fuel excise tax credit earned.

Health Benefits – GCTD portion of the health, dental and vision insurance premiums for employees.

Insurance – Liability insurance for vehicles, errors & omission, bonding, traveling, boiler, employer liability, etc.

Legal – Costs associated with legal services required by GCTD, including but not limited general counsel and labor/employment counsel services.

Maintenance Agreements – Maintenance agreements include the two-way radio, radio repeater, and coin counting machine.

Medical Exams –The MOU’s provide for bi-annual physical examinations for all represented employees. Management and non-represented employees are provided an exam annually. New employees are given pre-employment exams and employees absent from work for significant periods of time are examined prior to their return to work. Pre-employment physicals and exams of safety-sensitive personnel include a drug/alcohol screen, which is required by FTA regulations and GCTD policy.

Officers & Directors – Expenses related to Board of Directors attendance at board and committee meetings, conferences and travel/per diem while attending conferences or meetings. Included are the costs incurred by senior management employees while attending approved meetings and conferences.

OTC Facilities – The Customer Service Center (CSC) at the Oxnard Transportation Center (OTC), which provides route and schedule information and other services for transit passengers.

Other Benefits – GCTD's contribution for unemployment insurance, FICA/Medicare, Employee Assistance Program (EAP), life insurance for represented and non-represented employees and deferred compensation for the General Manager. The EAP is required as a part of GCTD's Drug and Alcohol Program and the represented employee MOUs.

Repair Parts – Repair parts are the materials, parts and components used in repairing vehicles and equipment.

Retirement – GCTD's contribution for its employees to the California Public Employee Retirement System (CalPERS).

Risk Management – Program to manage and reduce risk, especially industrial injuries.

Safety Programs – Annual safety awards function, safety awareness activities, incentive awards, training videos and similar activities.

Salaries – Salary and wages of all employees. For represented positions this includes current salary, agreed upon step increases, agreed upon longevity and bilingual pay. For non-represented positions this includes current wages, merit increases in accordance with the personnel policy, longevity and bilingual pay, and a projected cost of living increase, if any (to be determined by the Board of Directors).

Schedules/Marketing – This includes the GCTD Bus Book, maps, tickets, passes and artwork for public information and promotional products. Also included are media advertising, printing of promotional brochures, participation in fairs, parades, promotions, Chamber of Commerce functions and other community outreach activities.

Service/Supplies – Operational – Items related to operations, including fuels/lubricants, tires, repair parts, CNG fuel station maintenance and upgrades, contracted paratransit service, contract repair, supplies, schedules/marketing, OTC facilities and maintenance agreements.

Service/Supplies – Support – Items related to the support of GCTD services, but which are not direct operational expenses. Includes telephones/utilities, insurance, contract services, supplies, legal, audit, officers and directors and dues.

Supplies – For Fixed Route, expenses includes cash handling supplies, repair of locks, gate openers, etc. For Maintenance, expenses includes miscellaneous repair parts, industrial gases, repair of farebox counting equipment, non-stock parts and other miscellaneous parts, printing materials, freight, mail/delivery services, non-vehicle maintenance, and janitorial supplies. Also included is the mechanics' tool allowance as per union contract. For administrative departments, expenses include office supplies, computer supplies, computer software/hardware, copier costs, postage, office printing, office furniture and other associated expenses.

Telephones/Utilities – Costs associated with communications services, as well as electric, gas, water and refuse charges for the facility.

Tires –New tires are required for the front axles of all buses. Recapped tires are typically purchased for the rear axles of the buses.

Uniforms – Uniforms are provided by contract to the maintenance and operation employees. Bus Operators are provided three pairs of pants, five shirts and a cap annually. Every other year jackets/sweaters are provided. Operations supervisors are provided three pairs of pants, five shirts, a vest, a tie and a cap. Maintenance employees are provided rental uniforms cleaned and delivered by a vendor.

Urbanized Area (UZA) – The FTA has designated areas over 200,000 population as specific urbanized areas. GCTD's service area is part of the Oxnard UZA.

Workers' Compensation Insurance – Premium for the required workers' compensation insurance provided to GCTD by the California State Association of Counties-Excess Insurance Authority (CSAC-EIA).