

AGENDA REGULAR BOARD OF DIRECTORS MEETING WEDNESDAY, APRIL 3, 2024 – 10:00 AM

GCTD ADMINISTRATIVE FACILITY 1901 AUTO CENTER DRIVE OXNARD, CA 93036-7966 www.GoldCoastTransit.org

The meeting will be IN PERSON.

Hybrid / Remote Participation for the Public is available via ZOOM Webinar

https://us02web.zoom.us/j/84452320983

CALL TO ORDER

ROLL CALL

Chair – Mike Johnson, City of Ventura Vice Chair – Martha McQueen-Legohn, City of Port Hueneme Director – Alternate - Vianey Lopez, County of Ventura Director – Rachel Lang, City of Ojai Director – Bryan MacDonald, City of Oxnard

CEREMONIAL CALENDAR

- Pledge of Allegiance
- o Employee Recognition None

GENERAL PUBLIC COMMENT PERIOD

The GCTD Board of Directors will consider public comments for business matters that are not on the agenda. Each speaker is limited to three (3) minutes. The presiding officer shall enforce the time limit. Such matters cannot be discussed by the Board at the time of presentation but may be referred to the general manager/secretary for administrative action or public report at a later meeting or scheduled on a subsequent agenda for consideration. This rule shall not prohibit a member of the Board, at this time, from briefly responding to a public statement, question, or proposed initiative, as provided in Government Code Section 54954.2. Speakers are requested to complete a green speaker form from the Clerk of the Board and file it with the Clerk before speaking. Public members may participate in the Board Meeting either In Person at 1901 Auto Center Drive, Oxnard, CA, or by emailing or mailing their public comments to the Clerk of the Board before 9:00 AM on the morning of the meeting. In addition, members may participate in the meeting by logging into Zoom HERE.

BOARD OF DIRECTORS' REPORTS

AGENDA REVIEW - Any changes to the agenda may be made at this time.

GOLD COAST TRANSIT DISTRICT

Gold Coast Transit District

Board of Directors Meeting April 3, 2024

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CONSENT AGENDA

- 1. Consider Approval of Minutes of March 6, 2024, Board of Directors Meeting
- 2. Receive and File Report of Expenditures for March 2024 Christine Feng, Chief Financial Officer/AGM
- 3. Consider Acceptance of February 2024 Actual vs. Budget Financial Christine Feng, Chief Financial Officer/AGM
- 4. Receive and File Annual Special Audit Reports for LCTOP/STA/SCR and LTF/TDA Audit Reports for Member Jurisdictions (City of Ojai, City of Oxnard, City of Port Hueneme, City of Ventura, County of Ventura) Christine Feng, Chief Financial Officer/AGM, prepared by Nigro & Nigro.
- 5. Report of Contracts Awarded Tanya Hawk, Inventory & Asset Management Coordinator

GENERAL MANAGER'S REPORT

6. General Manager's Report – Vanessa Rauschenberger, General Manager

FORMAL ITEMS - PUBLIC COMMENTS ON AGENDA ITEMS

The GCTD Board of Directors will consider public comment on any item appearing on the agenda at the time that agenda item has been called by the presiding officer and after the staff report has been given. Each speaker is limited to five (5) minutes of comment on all agenda items in total. Speakers are requested to complete a green speaker form, available from the Clerk of the Board or on the speaker's podium, and file it with the Clerk before speaking.

- 7. Consider Approval of Update of GCTD Travel Reimbursement Policy Christine Feng, Chief Financial Officer/AGM
- 8. <u>Consider Adoption of Resolution 2024-03 Update GCTD Investment Policy, Christine Feng, Chief Financial Officer</u>
- 9. Consider Approval of GCTD's New Fare Structure and Date of Implementation, Cynthia Duque, Director of Planning & Marketing

INFORMATIONAL ITEMS

- **10.** Receive Update on Draft Budget Assumptions for FY 2024-25 Christine Feng, Chief Financial Officer / Assistant General Manager
- **11. Future Agenda Items –** Vanessa Rauschenberger, General Manager

CLOSED SESSION

- 11. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Section 54957 Title: General Manager
- 12. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Chair and General Counsel

Unrepresented employee: General Manager

Gold Coast Transit District

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The next regular meeting of the GCTD Board of Directors will be held on **MAY 1, 2024, at 10:00 AM at 1901 Auto Center Drive, Oxnard, CA 93036.** Copies of administrative reports relating to the Board agenda are available online at www.GoldCoastTransit.org or from the Clerk of the Board, Gold Coast Transit District, 1901 Auto Center Drive, Oxnard, CA, 93036-7966.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THE MEETING, PLEASE CONTACT THE CLERK OF THE BOARD AT (805) 483-3959, Ext. 160, OR E-MAIL adelgado@gctd.org OR THROUGH THE CALIFORNIA RELAY SERVICE AT 711. NOTIFICATION 72 HOURS PRIOR TO THE MEETING WILL ENABLE GCTD TO MAKE REASONABLE ACCOMMODATIONS TO ENSURE ACCESSIBILITY TO THE MEETING.



Item #1

MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING WEDNESDAY, MARCH 6, 2024 – 10:00 am THIS MEETING WAS HELD IN PERSON & VIA ZOOM (HYBRID)

Call to Order

Chair Johnson called the Regular Board of Directors of Gold Coast Transit District meeting to order at 10:00 a.m. at the GCTD Administrative Facility, 1901 Auto Center Drive, Oxnard, California.

Roll Call

Chair – Mike Johnson, City of Ventura
Vice Chair – Martha McQueen-Legohn, City of Port Hueneme
Director – Matt LaVere, County of Ventura
Director – Rachel Lang, City of Ojai
Director – Brian MacDonald, City of Oxnard

Staff Present

Vanessa Rauschenberger, General Manager
Christine Feng, CFO/Assistant General Manager
Alex Zaretsky, Director of Human Resources
Cynthia Torres Duque, Director of Planning & Marketing
Austin Novstrup, Planning Manager
Juan De La Rosa, Fleet Manager
Margaret Heath-Schoep, Paratransit & Special Projects Manager
Robert Lucio, Mobility Management Coordinator
Monica Gonzalez, Transit Planner
Martin Rodriguez, Transit Planner
Andrea Meza, Communications
Angie Delgado, Clerk of the Board
Tanya Hawk, Inventory & Asset Management Coordinator
Matt De La Rosa, IT Technician

Ceremonial Calendar

Chair Johnson led the pledge of allegiance.

Employee Recognition – 10 Years

Brian Byrne, Facility & Equipment Mechanic II, 10 years

Board members thanked and congratulated employees on their recognition. Director Lang thanked Mr. Byrne for his service and the inspiration of his dedication and commitment. Vice-Chair McQueen-Legohn thanked Mr. Byrne for all his work and was happy to meet him.

General Public Comment

Barb Singleton spoke during the general public comment.

GOLD COAST TRANSIT DISTRICT

Board of Directors Reports

Director MacDonald was pleased to announce that he will serve as Chair for LOSSAN Rail Agency and is looking forward to the year.

Director LaVere stated that the County adopted the Active Transportation Plan (ATP) for pedestrian and sidewalk improvements.

Chair Johnson mentioned that Ventura County Supervisor Vianey Lopez wrote an article in the Ventura County Star regarding the Regional Transportation Plan Connect SoCal 2024. The plan, published by the Southern California Association of Governments (SCAG), proposes a 50-million-dollar multimodal transit center in Downtown Ventura. Although it's only a proposal at this point, the City of Ventura is enthusiastic about it.

Director MacDonald congratulated Director LaVere on his reelection to the Board of Supervisors.

Consent Agenda

- 1. Consider Approval of Minutes of February 7, 2024, Board of Directors Meeting
- 2. Consider Approval of Expenditures for February 2024 Christine Feng, Chief Financial Officer/AGM
- 3. <u>Consider Approval of Budget / Actual Financial Report for January 2024 Christine Feng, Chief Financial Officer/AGM</u>
- **4.** Consider Approval of Updated Job Descriptions (Multiple) Alex Zaretsky, Director of Human Resources
- 5. Consider Awarding a Contract to Model 1 Commercial Sales for the Purchase of Four (4) Replacement Vehicles for GCTD's GO ACCESS Fleet – Marlena Kohler, Procurement Manager & DBE Officer and Margaret Schoep, Paratransit & Special Projects Manager
- 6. Report of Contracts Awarded Tanya Hawk, Inventory & Asset Management Coordinator

Director MacDonald moved to approve Consent Agenda Items 1 through 6. Director Lang seconded the motion.

The motion passed unanimously.

GENERAL MANAGER'S REPORT

7. General Manager's Report - Vanessa Rauschenberger, General Manager

Ms. Rauschenberger welcomed Dave Buck, who joined the Maintenance Department as an E-Mechanic and brings technical experience in IT, Mechanical, and Automotive technology.

Ms. Rauschenberger congratulated Mauro Tapia for his promotion to Mechanic III, and Salvador Aguilar was also promoted to Facility and Equipment Mechanic II.

GCTD will host a Transit Employee Appreciation Day on March 21, 2024, featuring a lunch and quarterly safety awards to honor and appreciate the employees who contribute to the transit system. The board members were welcome to attend.

The Annual year report was provided to the board members and the public and distributed to several stakeholders to share some of the district's activities. Ridership recovery this past year has come a long way since the pandemic's decline; Ms. Rauschenberger stated, "It's great to see the ridership come through." The report highlights the strategic plan that the board adopted this year, as well as the vision, mission, and priorities. GCTD is happy to share the report with the community to highlight the great work of the entire team working together. Ms. Rauschenberger presented the board with an update on the Hydrogen Station RFP.

Ms. Rauschenberger announced she was elected as one of five small operators to serve on the California Transit Association's Executive Committee. The committee convened in San Diego for its biennial business meeting, where she met with CARB Executive Officer Dr. Steven Cliff and CalSTA Secretary Toks Omishakin, Undersecretary Mark Tollefson, and Chief Deputy Secretary of Rail and Transit Chad Edison. They discussed the implementation of zero-emission transit regulations and CalSTA's Transit Transformation Task Force.

FORMAL ITEMS - PUBLIC COMMENTS ON AGENDA ITEMS

The Gold Coast Transit District Board of Directors will consider public comment on any item appearing on the agenda when the presiding officer has called the agenda item and after the staff report has been given. Each speaker is limited to three (3) minutes of comment on all agenda items. Public members must submit their request by email to the Clerk of the Board before 9 am on the day of the Board Meeting.

8. Receive Presentation on Short Range Transit Plan Existing Conditions Report -Austin Novstrup, Planning Manager and Gary Hewitt, Transportation Management and Design, Inc (consultant)

Mr. Novstrup stated that GCTD is working with Transportation Management & Design to develop a Short-Range Transit Plan (SRTP) to improve transit service quality and effectiveness. The SRTP will serve as a 5-to-10-year work plan. A draft of the Existing Conditions Report is being provided for review, including a comprehensive analysis of GCTD's services and community input. Mr. Novstrup introduced Project Manager Gary Hewitt to the board to present key findings and discuss recommendations.

Mr. Hewitt presented a presentation to the board.

Director LaVere thanked Mr. Novstrup and Mr. Hewitt for the presentation. Given the challenges many transit agencies are facing, this is a great start. Mr. LaVere is looking forward to receiving public feedback and outreach.

Chair Johnson expressed his appreciation for the graph that compared the hours between 2019 and 2023 and showed an increase in demand during the afternoon of 2023, as well as the changes in weekly density, where it has picked up and slowed down.

RECOMMENDATION

It is recommended that the Board of Directors receive and file a presentation on the Draft Existing Conditions Report and provide any feedback on the draft report or guidance on the development of SRTP recommendations.

9. Receive Presentation on Public Outreach on GCTD's Proposed Fare Adjustment and conduct a Public Hearing – Cynthia Duque, Director of Planning & Marketing and Monica Gonzales, Transit Planner

Ms. Duque updated the board on the public outreach activities for the proposed Fare Adjustment and conducted a public hearing.

The Board of Directors approved the proposal in November 2023 to gather public feedback on the fare structure adjustment. A public education campaign, including informational materials, community meetings, and a survey. The survey is ongoing until March 2024, and a public hearing will allow public input on the proposed fare adjustment.

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The GCTD's Board approved a fare increase in 2009, which was implemented in 2010 and 2011. The staff is now proposing two alternative fare structures, either increasing the base fare to \$2 or \$2.25. Despite ridership recovery, revenues have fallen short of meeting increased costs for the third year in a row. While there has been a rise in average fare revenue per ride due to the college/youth ride free program, this is a pilot program supported by a grant obtained and managed by VCTC from California's Low Carbon Transit Operations Program (LCTOP), and is not a permanent source of funding. COVID relief funding has been exhausted, and rising labor and operational costs, have increased due to inflation, whereas fares have not increased in over a decade.

GCTD received 237 survey responses, with 73% using GCTD's bus service, 15% using Flexible Services, and 13% using GO ACCESS. 86% prefer Alternative 1, adult regular fares, cash, or the Token Transit Pass App. 69% would purchase pre-paid fares as their primary payment.

Staff conveyed they would bring back a final recommendation on fares to the Board at the April meeting.

VIII. RECOMMENDATION

It is recommended that the Board of Directors hold a public hearing on the proposed fare adjustment and receive and file this report and provide feedback to staff.

INFORMATIONAL ITEMS

10. Future Agenda Items - Vanessa Rauschenberger, General Manager

CLOSED SESSION

11. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Section 54957 Title: General Manager

There being no further business, Vice-Chair Johnson adjourned the Board of Directors meeting at 11:31 AM.

Minutes recorded by Angie Delgado, Clerk of the Board of Directors

Vanessa Rauschenberger Chair Mike Johnson
Secretary of the Board of Directors Board of Directors

Unless otherwise determined by the Board of Directors, the GCTD Board of Directors' next meeting will be **April 3, 2024, at 10:00 AM.** Copies of administrative reports relating to the Board agenda are available online at www.gctd.org or from the Clerk of the Board, Angelica Delgado, at Gold Coast Transit District, 1901 Auto Center Drive, Oxnard, CA 93036.



Item #2

DATE April 3, 2024

TO GCTD Board of Directors

FROM Veronica Navarro, Finance & Grants Analyst

Marlena Kohler, Procurement Manager & DBE Officer

SUBJECT Consider the Approval of Expenditures for the Month of March 2024

VN

Attached is a list of expenditures for the month of March 2024 from the various GCTD Accounts.

If any member of the Board wishes to review a particular item, please contact me to have the necessary documentation on hand for the meeting.

Attachments:

Accounts Payable Disbursement List – March 2024

GENERAL MANAGER'S CONCURRENCE

Vanessa Rauschenberger

General Manager

Vendor	Date		Amount	TypeOfGoods
CALIFORNIA PUBLIC EMPLOYEES RET. SYSTEM	04-Mar-24	\$	255,324.33	HEALTH INSURANCE
AIRGAS USA, LLC	07-Mar-24	\$	110.37	MAINTENANCE SUPPLIES
ASSURANT EMPLOYEE BENEFITS	07-Mar-24	\$	1,077.45	DENTAL PREMIUMS
BEST BEST & KRIEGER LLP	07-Mar-24	\$	11,262.00	GENERAL COUNSEL SERVICE
LOS ANGELES TRUCK CENTERS, LLC	07-Mar-24	\$	1,902.61	PARTS/SERVICE
CITI CARDS	07-Mar-24	\$	1,814.46	OFFICE SUPPLIES
COASTAL OCCUPATIONAL MEDICAL GROUP	07-Mar-24	\$	3,407.63	PHYSICALS/DRUG SCREENS
LYNETTE COVERLY	07-Mar-24	\$	3,630.00	PROFESSIONAL SERVICES
BENEFIT COORDINATORS CORP.	07-Mar-24	\$	10,122.30	DENTAL PREMIUMS
CUMMINS PACIFIC LLC	07-Mar-24	\$	8,822.45	PARTS
EDISON CO.	07-Mar-24	\$	24,654.65	ELECTRICAL POWER
AVAIL TECHNOLOGIES, INC.	07-Mar-24	\$	•	SOFTWARE/MAINTENANCE
FLOYD SKEREN MANUKIAN LANGEVIN LLP	07-Mar-24	\$	2,684.16	LEGAL SERVICES
FORTRESS ARMORED SERVICES COMPANY	07-Mar-24	\$	1,645.47	ARMORED CAR SERVICES
GILLIG LLC	07-Mar-24	\$	5,314.56	PARTS
GRAINGER	07-Mar-24	\$	28.10	MISC. PARTS/SUPPLIES
IRON MOUNTAIN, INC.	07-Mar-24	\$	237.99	SHREDING SERVICES
LIFT-U-INC.	07-Mar-24	\$	1,096.44	WHEEL CHAIR PARTS
Lorraine Ozab	07-Mar-24	\$	54.00	REFUND GO ACCESS e-balance
MOBILE CREATE USA, INC.	07-Mar-24	\$	677.35	2 WAY RADIO EQUIPMENT/SERVICE
MOTION INDUSTRIES, INC.	07-Mar-24	\$	2,275.33	SUPPLIES
MV TRANSPORTATION, INC.	07-Mar-24	\$	421,534.19	GCT ACCESS SERVICE
THE AFTERMARKET PARTS COMPANY, LLC	07-Mar-24	\$	6,854.25	PARTS/BUSES
FIRST CALL AUTO PARTS	07-Mar-24	\$	64.06	PARTS
VENTURA COUNTY AUTO SUPPLY	07-Mar-24	\$		PARTS
CITY OF OXNARD	07-Mar-24	\$		UTILITIES/TRASH
PLAZA DEL NORTE BUSINESS ASSOCIATION	07-Mar-24	\$	15,115.10	BUSINESS CENTER ASSOCIATION
SAFETY-KLEEN SYSTEMS, INC.	07-Mar-24	\$	1,065.59	SOLVENT TANK FLUID
SUPERIOR PRINTING & GRAPHICS, INC	07-Mar-24	\$	1,825.46	PRINTING SERVICES
GREG'S PETROLEUM SERVICE, INC	07-Mar-24	\$		OIL SUPPLIER
TST PRIVATE SECURITY	07-Mar-24	•	5,317.44	SECURITY SERVICES
U.S. BANK	07-Mar-24		•	CALCARD PAYMENT
VOYAGER	07-Mar-24	•		CNG FUEL FOR ACCESS
AMERICAN MADE CLEAN INC	21-Mar-24	•		SERVICES
ARAMARK UNIFORM & CAREER APPAREL GROUP	21-Mar-24			UNIFORMS
ASWELL TROPHY	21-Mar-24	٠.		AWARDS
BEST BEST & KRIEGER LLP	21-Mar-24	•	•	GENERAL COUNSEL SERVICE
CALACT	21-Mar-24	٠.		MEMBERSHIP/CONFERENCE
CALTIP	21-Mar-24		•	LIABILITY INSURANCE
CANON FINANCIAL SERVICES INC	21-Mar-24	٠.		PRINTING SERVICES
CENTER FOR TRANSPORTATION AND THE ENVIRO	21-Mar-24	•	•	MEMBERSHIP DUES
COASTAL OCCUPATIONAL MEDICAL GROUP	21-Mar-24		•	PHYSICALS/DRUG SCREENS
COMPUWAVE, INC.	21-Mar-24	•		LAPTOPS
CUMMINS PACIFIC LLC	21-Mar-24		5,971.00	
DANIELS TIRE SERVICE	21-Mar-24	:	·	TIRES/SERVICES
WEX HEALTH, INC.	21-Mar-24	- 1		FSA ADMINISTRATION FEE
FLUID NETWORKS	21-Mar-24	٠.		SERVICES
FRONTIER COMMUNICATIONS	21-Mar-24		·	INTERNET PRVDER - PTSIT CNTOR
THE GAS COMPANY	21-Mar-24	- 1	·	NATURAL GAS
GILLIG LLC	21-Mar-24	•	3,442.58	
LOWES	21-Mar-24	•		LEGAL SERVICES
LOWE'S	21-Mar-24	•		SUPPLIES
MACVALLEY OIL COMPANY	21-Mar-24	•	514.84	
NATURAL GREEN LANDSCAPE INC.	21-Mar-24	Þ	4,480.00	LANDSCAPING SERVICES

THE AFTERMARKET PARTS COMPANY, LLC	21-Mar-24		ŕ	PARTS/BUSES
CITY OF OXNARD	21-Mar-24	•	· ·	MONTHLY RENT OTC
O'Hagan Meyer LLP	21-Mar-24	\$	6,570.25	LEGAL SERVICES
PLATINUM TOW AND TRANSPORT INC.	21-Mar-24	\$	830.00	TOWING SERVICES
PLANETERIA MEDIA LLC	21-Mar-24	\$	3,300.00	WEBSITE SUPPORT SERVICES
PRODUCTIVE SOLUTIONS	21-Mar-24	\$	4,579.00	POINT OF SALE MACHINE SUPPLIES
ROMAINE ELECTRIC CORPORATION	21-Mar-24	\$	1,888.28	BUS PARTS
RINGLEADER, INC	21-Mar-24	\$	376.51	TELEPHONE/LONG DISTANCE SRVC
JUAN DE LA ROSA	21-Mar-24	\$	83.40	EXPENSE REIMBURSEMENT
SHI INTERNATIONAL CORP.	21-Mar-24	\$	4,724.60	FIREWALL
SUPERIOR SANITARY SUPPLIES	21-Mar-24	\$	3,051.29	SUPPLIES
SUPERIOR PRINTING & GRAPHICS, INC	21-Mar-24	\$	792.06	PRINTING SERVICES
TEAM NISSAN	21-Mar-24	\$	33.92	ELECTRIC VEHICLES
TRANSFOR CORPORATION	21-Mar-24	Ś		WHEELCHAIR PARTS
TRANSPORTATION MANAGEMENT & DESIGN INC	21-Mar-24	•	•	SHORT RANGE TRANSIT PLAN
UnCOMPlicate HR INC	21-Mar-24		ŕ	HR CONSULTANT
UNITED WAY OF VENTURA CO.	21-Mar-24	•	ŕ	P/R DEDUCTION
U.S. BANK	21-Mar-24	•		CALCARD PAYMENT
COUNTY OF VENTURA - IT SVCS. DEPT.	21-Mar-24		,	REPEATER SITE RENTAL
		Τ.		SMARTCARD SLS
VENTURA COUNTY TRANSPORTATION COMMISSION	21-Mar-24	•	•	
VERIZON	21-Mar-24	•	•	PHONE SRVC - CSC
BENEFIT COORDINATORS COMPANY	22-Mar-24	- 1	ŕ	LONG TERM DISABILITY PREMIUMS
CAL PERS	27-Mar-24	- 1	ŕ	PENSION CONTRIBUTIONS
CALPERS FISCAL SERVICES DIV.	27-Mar-24	٠.	ŕ	UNFDED ACCRD LIAB CLASSIC
EMPOWER RETIREMENT	27-Mar-24		ŕ	DEFERRED COMPENSATION CONT.
MISSIONSQUARE RETIREMENT	27-Mar-24	•	ŕ	DEFERRED COMPENSATION CONT.
SERVICE EMPLOYEES INT'L UNION LOCAL #721	27-Mar-24	\$	ŕ	P/R DEDUCTION
USCM/WEST	27-Mar-24	\$	16,932.00	P/R DEDUCTION
AMERICAN MOVING PARTS	27-Mar-24	\$	177.24	BRAKE SHOES
CALIFORNIA HOSE, INC	27-Mar-24	\$	32.93	PARTS
CLEAN ENERGY	27-Mar-24	\$	45,446.92	REPAIRS
COMPUWAVE, INC.	27-Mar-24	\$	1,223.60	Microsoft Office Home & Bus
DYER SHEEHAN GROUP, INC.	27-Mar-24	\$	1,473.75	301 REDEVELOPMENT CONSULTING
THE GAS COMPANY	27-Mar-24	\$	1,327.31	NATURAL GAS
GILLIG LLC	27-Mar-24	\$	7,802.05	PARTS
INFINITY CNG SERVICES, INC.	27-Mar-24	\$	1,325.00	CNG STATION REPAIR SERVICES
KIMBALL MIDWEST	27-Mar-24	\$	1,657.07	PARTS
LIFT OFF, LLC	27-Mar-24	\$	4.00	IT SOFTWARE
NATIONAL AUTO BODY&PAINT	27-Mar-24	\$	5,015.19	BODY WORK
THE AFTERMARKET PARTS COMPANY, LLC	27-Mar-24	\$		PARTS/BUSES
VENTURA COUNTY AUTO SUPPLY	27-Mar-24		216.89	•
PARKHOUSE TIRE, INC.	27-Mar-24	٠.	5,134.77	
PLATINUM TOW AND TRANSPORT INC.	27-Mar-24		,	TOWING SERVICES
VANESSA RAUSCHENBERGER	27-Mar-24	٠.		EXPENSE REIMBURSEMENT
RED WING SHOE STORE	27-Mar-24		,	SAFETY SHOES
TEAMSTERS LOCAL 186		٠.		
	27-Mar-24 27-Mar-24	-		PAYROLL DEDUCTION
GREG'S PETROLEUM SERVICE, INC	∠1-1VId1-24	Ą	2,411.21	OIL SUPPLIER



Date: April 3, 2024 **Item # 3**

To: Board of Directors

From: Christine Feng

CFO & Assistant General Manager

Subject: Consider Acceptance of February 2024 Actual vs. Budget Financial

Analysis report

EXECTIVE SUMMARY

This summary report presents an overall analysis of the financial performance for February 2024, comparing actual figures against the budgeted amounts for the Gold Coast Transit District.

Revenue Analysis:

- 1. Passenger Fares: Actual revenue from passenger fares amounted to \$407,093.40, exceeding the budgeted amount by 56%.
- 2. Non-Operating Revenues: Non-operating revenues totaled \$36,882.15, representing a variance of 53% over the budget.
- 3. State Assistance: State assistance amounted to \$131,246.00, falling short of the budgeted figure by 32%.
- 4. Local Assistance: Actual local assistance revenue matched the budgeted amount of \$1,781,864.25.
- 5. Federal Assistance: Federal assistance significantly exceeded expectations, reaching \$3,790,710.00, representing a variance of 352% over the budget. It is due to the receiving of delay Federal Funding Assistance for 6 months from FTA.

Total Revenues: The total actual revenue for February 2024 reached \$6,147,795.80, surpassing the budgeted amount by 98% which covered Prior periods' deficit.

Expense Analysis:

- 1. Salary/Wage: Actual expenses on salary/wage were \$926,317.00, which was 10% lower than the budgeted amount.
- 2. Fringe Benefits: Fringe benefits expenses were \$621,802.96, representing a variance of -19% compared to the budget.

- 3. Services: Service expenses slightly exceeded the budget by 6%, totaling \$530,614.95.
- 4. Materials and Supplies: Expenses on materials and supplies were significantly lower than budgeted, amounting to \$198,076.62, representing a variance of -35%.
- 5. Utilities: Utility expenses were higher than budgeted, totaling \$33,378.81, with a variance of 21%.
- 6. Casualty and Liability: Actual expenses on casualty and liability were substantially lower than budgeted, with a variance of -90% for the month of February.
- 7. Miscellaneous: Miscellaneous expenses were slightly lower than budgeted, totaling \$56,441.79, representing a variance of -6%.
- 8. Members Contribution for 5 jurisdictions: Actual expenses matched the budgeted amount for members' contribution, totaling \$167,925.00.

Total Expenses: The total actual expenses for February 2024 were \$2,548,270.70, which was 17.9% lower than the budgeted amount.

Surplus or (Deficit): The Gold Coast Transit District recorded a surplus of \$3,599,525.10 for February 2024.

Conclusion: The February 2024 Actual and Budget Financial Analysis Report for the Gold Coast Transit District indicates significant variances between actual and budgeted figures, with revenues surpassing expectations and expenses generally lower than anticipated. Year to date (From July 2023 to February 2024), GCTD has Deficit of \$538,154.42. However, combining with the delay Funding assistance from FTA, GCTD should have favorable budget variance for the Fiscal Year 2024.

General Manager's Concurrence

Vanessa Rauschenberger

GOLD COAST TRANSIT DISTRICT Financial activities summary (Actual v.s. Budget) February 2024

	February 2024 <u>Actual</u>	February 2024 Budget	<u>Variance</u> <u>Over (Under)</u> <u>Budget</u>	YTD actual	Annual Budget	Percentage of Annual Budget
Revenues:						
Passenger Fares	\$ 407,093.40	\$ 260,338.76	56%	\$ 2,696,608.72	\$ 2,837,905.00	95.02%
Non- Operating Revenues	36,882.15	24,154.17	53%	257,311.32	576,010.00	44.67%
State Assistance	131,246.00	193,500.00	-32%	225,986.00	2,322,000.00	9.73%
Local Assistance	1,781,864.25	1,781,864.25	0%	14,254,914.00	21,382,371.00	66.67%
Federal Assistance	3,790,710.00	837,762.01	* 352%	4,668,744.00	10,053,144.00	46.44%
Total Revenues	\$ 6,147,795.80	\$ 3,097,619.19	98%	\$ 22,103,564.04	\$ 37,171,430.00	59.46%
	* Fed	eral Operating Assistances	s for first 6 months of this I	Fiscal year have been drawi	n down.	
Expenses:						
Salary/Wage	\$ 926,317.00	\$ 1,028,939.83	-10%	\$ 7,418,356.76	\$ 12,347,278.00	60.08%
Fringe Benefits	621,802.96	766,471.88	-19%	6,549,955.34	\$ 9,197,663.00	71.21%
Services	530,614.95	499,627.15	6%	4,066,238.13	\$ 5,927,526.00	68.60%
Materials and Supplies	198,076.62	304,793.06	-35%	1,763,158.14	\$ 3,657,517.00	48.21%
Utilities	33,378.81	27,560.75	21%	284,441.72	\$ 330,729.00	86.00%
Casualty and Liability	13,713.57	132,650.33	-90%	1,026,617.20	\$ 1,591,804.00	64.49%
Miscellaneous	56,441.79	59,916.85	-6%	189,551.17	\$ 719,001.00	26.36%
Debt Service	-	115,401.00	-100%	-	\$ 1,384,812.00	0.00%
Members Contribution	167,925.00	167,925.00	0%	1,343,400.00	\$ 2,015,100.00	66.67%
Total Expenses	\$ 2,548,270.70	\$ 3,103,285.85	<u>-17.9%</u>	\$ 22,641,718.46	\$ 37,171,430.00	60.91%
Surplus or (Deficit)	\$ 3,599,525.10			\$ (538,154.42)		



Date: April 3, 2024 **Item #4**

To: Board of Directors

From: Christine Feng, CFO / Assistant General Manager

Subject: Consider Acceptance of GCTD FY 2023 SGR, LCTOP, TDA Compliance

Audit Reports for GCTD and Each of its Five (5) Members, as audited

by Nigro and Nigro CPA firm

EXECTIVE SUMMARY

Gold Coast Transit District has contracted with Nigro and Nigro CPA Firm to audit SGR (State of Good Repair), LCTOP (Low Carbon Transit Operations Program), and TDA compliance and its five member jurisdictions that receive TDA Fund from GCTD for public transportation related activities.

Presented today for the Board's review and information are TDA Compliance Audits for GCTD and each of the five member jurisdictions (Oxnard, Ventura, Ojai, Port Hueneme and the County of Ventura) that receive TDA Article 4 Local Transportation Funds (LTF) from GCTD.

All members were found and audited to be in compliance with respect to all expended funds having been spent on TDA-eligible expenses.

In accordance with the administrative process established in 2014 and revised in January 2016 with input from the Technical Advisory Committee (TAC), funds for recurring annual expenses for locally-owned, maintained and operated transit services that were not expended will be considered carryover and will be returned to GCTD as a credit in the fiscal year following completion of the audit.

The Nigro and Nigro CPA firm has issued the opinion that GCTD and its five members are in compliance with, in all material aspects, TDA requirements.

RECOMMENDATION

IT IS RECOMMENDED that the Board receive and accept the FY 2022-23 SGR, LCTOP, and TDA Compliance Audit Reports for GCTD and each of its five (5) members as audited by Nigro and Nigro CPA Firm.

General Manager's Concurrence

Vanessa Rauschenberger, General Manager

LOCAL TRANSPORATION FUND

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT JUNE 30, 2023



FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors Gold Coast Transit District Oxnard, California

Opinion

We have audited the accompanying financial statements of the Local Transportation Funds (LTF) accounts of the Gold Coast Transit District (District), which comprise the statement of net position as of June 30, 2023, and the related statement of changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the LTF accounts of the District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the LTF accounts and does not purport to, and does not, present fairly the financial position of the District as of June 30, 2023, or the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the Unites States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control relating to the LTF accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LTF account's financial statements. The Schedule of Amounts Allocated and Disbursed is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards and the Transportation Development Act. In accordance with Government Auditing Standards and the Transportation Development Act, we have also issued a separate report dated March 14, 2024 on our consideration of the District's internal control over the LTF accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and the Transportation Development Act in considering the District's internal control over the LTF accounts' financial reporting and compliance.

Murrieta, California March 14, 2024

Nigro & Nigro, PC

Gold Coast Transit District STATEMENTS OF NET POSITION JUNE 30, 2023 AND 2022

	 2023	 2022
ASSETS		
Cash and investments - restricted	\$ 2,746,970	\$ 2,910,969
Total assets	2,746,970	 2,910,969
LIABILITIES		
Unearned revenue		
Total liabilities	 	
NET POSITION		
Unrestricted	2,746,970	 2,910,969
Total net position	\$ 2,746,970	\$ 2,910,969

Gold Coast Transit District STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2023, AND 2022

	 2023		2022	
Revenues: Local transportation funding Local transportation funding - prior year unearned Refunding proceeds from member agency Interest income (expense)	\$ 19,024,256 - - - 15,682	\$	12,959,174 495,262 170,031 (37,524)	
Total revenues	19,039,938	_	13,586,943	
Expenses: Operating Debt	 18,946,059 257,878		13,563,495 462,517	
Total expenses	 19,203,937		14,026,012	
Change in net position	(163,999)		(439,069)	
Net position, beginning of fiscal year	 2,910,969	_	3,350,038	
Net position, end of fiscal year	\$ 2,746,970	\$	2,910,969	

Gold Coast Transit District STATEMENTS OF CASH FLOWS FOR THE FISCAL YEARS ENDED JUNE 30, 2023, AND 2022

		2023	3	2022
Cash flows from operating activities: Cash paid for operating costs, net of support	\$			\$ (439,069)
Net cash (used) by operating activities			-	 (439,069)
Cash flows from noncapital financing activities: Cash received from local transportation fund (LTF) Cash received from member agency refund Cash paid to other funds			24,256 16,059)	12,959,174 170,031 13,124,426)
Net cash provided by noncapital financing activities		7	78,197	4,779
Cash flows from capital financing activities: Cash paid for debt payments Net cash provided by capital financing activities			57,878) 57,878)	 (462,517) (462,517)
Cash flows from investing activities: Cash paid from investments Cash received from investments		1	15,682	(49,110) 11,586
Net cash (used) by investing activities		1	15,682	(37,524)
Net decrease in cash in County treasury		(16	3,999)	(934,331)
Cash in County treasury: Beginning of year End of year	\$		10,969	\$ 3,845,300 2,910,969
Reconciliation of operating income to net cash (used in) operating activities: Operating income (loss) Changes in operating assets and liabilities: (Increase)/decrease due from other government agencies	_		63,999 <u>)</u> 63,999	\$ (439,069)
Total adjustments		16	3,999	-
Net cash (used) by operating activities	\$		-	\$ (439,069)
Noncash investing, noncapital, capital and financing transactions: Unearned revenue				\$ 495,262

Gold Coast Transit District NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023, AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

On July 1, 2014, Gold Coast Transit became Gold Coast Transit District (the District) as the result of state legislation signed by Governor Brown in October 2013. As a Transit District, the District is entitled to claim the entire amount of state Local Transportation Fund (LTF) funding apportioned by population to its member jurisdictions. The District's enabling legislation also allows District members to claim from the District a portion of its LTF funds for eligible transit services (not provided by the District) that the member funds or operates.

The District receives LTF funding under provisions of the State of California's Transportation Development Act of 1971 (TDA). 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 the County of Ventura (the 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) may be set aside to fund capital acquisitions and is classified as local transportation funding in the nonoperating section of the statement of activities and changes in net position. The remaining portion of local transportation funding is used to subsidize current operations.

The financial statements present only the activity of the LTF accounts of the District and are not intended to present the financial position or changes in financial position of the District, or member claimants, in conformity with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District accounts for the activity of the Article 4 funds in its Enterprise Fund.

C. Measurement Focus and Basis of Accounting

Enterprise Funds are accounted for using the accrual basis of accounting. The revenues are recognized in the accounting period when they are earned, and expenses are recognized in the accounting period in which the liability is incurred.

D. Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the District. Revenues under TDA Article 4 are recognized in the period when all eligibility requirements have been met. A deferred inflow of resources arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period.

Deferred inflows of resources also arise when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet, and revenue is recognized.

E. Net Position

The components of net position reflect the component classifications described below.

- Net Investment in Capital Assets this includes capital assets net of depreciation reduced by the
 outstanding balances of bonds and notes, if any, that are attributable to the acquisition,
 construction, or improvement of those assets. Applicable deferred outflows of resources and
 deferred inflows of resources, if any, should also be included in this component of net position.
- Restricted this includes assets, mainly cash and investments, bound by constraints on resources
 that are externally imposed by creditors, grantors, contributors, or laws and regulations of other
 governments.
- *Unrestricted* this includes the remaining balance of the net amount of assets, deferred outflows of resources that are not included in the determination of net investment in capital, or the restricted components of net position.

It is the District's policy that restricted resources will be applied first, followed by unrestricted resources, in the absence of a formal policy adopted by Board of Directors.

F. Amounts Due from Other Governments

Generally, amounts due from other governments are recorded as revenues when received. However, when expenditures of funds are the prime factor for determining eligibility for grants, revenues are accrued when the expenditures have been made on approved grants.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash with Financial Institution - Demand Deposits

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Ventura County Pooled Investment Fund (VCPIF)

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. Further information about the VCPIF is available on the County Treasurer-Tax Collector's website: www.ventura.org/ttc/.

Cash and investments of the LTF accounts at June 30, 2023, consist of the following:

Ventura County Pooled Investment Fund (VCPIF) (Continued)

Cash and investments of the LTF accounts at June 30, 2023, consist of the following:

	Measurement Input	Credit Rating	Fair Value	Remaining Maturity
Pooled Investment Funds: Cash in County Investment Pool	Level 2	AAA	\$2,746,970	< 12 Months
			\$2,746,970	

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. 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 Local Agency Investment Fund (LAIF) and VCPIF.

As of June 30, 2023 and 2022, none of the District's deposits and investments were exposed to disclosable custodial credit risk.

Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in Money Market Funds are valued using Level 2 inputs. The District's remaining investments are in the VCPIF, which is an external investment pool valued under Level 2. Please note that interest expense is negative as a result of a fair market value adjustment booked.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government 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

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. The County Treasury's pooled investment funds are unrated.

NOTE 3 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

GCTD is subject to the provisions pursuant to Section 6634 of the California Code of Regulations and Section 99268.3 of the Public Utilities Code.

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund Fund in an amount which exceeds the claimant's capital and operating costs loss the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city of county to which the operator has provided services beyond its boundaries.

During Fiscal Year 2022-23, the funds received from the Local Transportation Fund complied with the above provision.

B. Section 9926.3

Section 99268.3 indicates that an operator in Ventura County providing regular public transportation shall be eligible for TDA funds if it maintains for the fiscal year, ratio of fare revenues to operating costs at least equal to 20%.

The fixed route, paratransit, and total fare revenue ratio for the fiscal year ending June 30, 2023, was as follows:

	2023
Farebox revenue \$	1,551,740
Route guarantee	
Local Route Guarantee - Fixed Route	3,569
LCTOP - FARE SUPPORT/ FREE FARE DAYS	473,762
LCTOP Support for Route 23	79,092
LCTOP Fare Support Program College Pass Program	368,513
Organization paid fares	558,352
Other revenue	782,721
Total farebox revenue before AB 149 - federal funds	3,817,749
AB 149 - federal funds *	1,490,216
Total farebox revenue	5,307,965
Operating expenses:	32,600,361
Less depreciation	(3,454,690)
Less Debt service expense	(911,818)
Less Route 23 service	(1,694,031)
Net adjusted operating expenses	26,539,822
Fare ratio	20.00%
Fare ratio without AB 149- Federal Funds	<u>14.38%</u>
Required fare ratio pursuant to PUC Section 99268.3	20.00%
Farebox revenue - Demand Response	
Farebox revenue	131,400
Organization paid fares	54,163
Total farebox revenue before AB 149 - federal funds	185,563
AB 149 - federal funds *	536,497
Total farebox revenue	722,060
Operating expenses:	3,709,634
Less depreciation	(99,339)
Net adjusted operating expenses \$	3,610,295
Fare ratio	20.00%
Fare ratio without AB 149-Federal funds	5.14%
Required fare ratio pursuant to PUC Section 99268.3	10.00%

^{*} Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating farebox recovery ratio through fiscal year 2022-23.

NOTE 4 - RESTRICTIONS, BUDGETARY CONTROL, AND CONTINGENCIES

Restrictions

Funds received pursuant to Public Utilities Code TDA Article 4 may only be used for public transportation activities.

Budgetary Control

The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Contingencies

There are no contingencies at this time.

NOTE 5 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 14, 2024, the date these financial statements were available to be issued.

Gold Coast Transit District SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS JUNE 30, 2023

No Findings Noted

Gold Coast Transit District SUPPLEMENTARY INFORMATION

Gold Coast Transit District SCHEDULE OF AMOUNTS ALLOCATED AND DISBURSED FOR THE FISCAL YEARS ENDED JUNE 30, 2023

	Transportation Development Act - Article 4 Funds	
Allocations, Disbursements, and Payables		
City of Ojai	\$	133,596
City of Oxnard		398,481
City of Port Hueneme		-
City of San Buenaventura		278,264
County of Ventura		997,597
Gold Coast Transit District		19,024,257
Total Allocations, Disbursements, and Payables	\$	20,832,195

Gold Coast Transit District SCHEDULE OF BUDGET VS ACTUAL FOR THE FISCAL YEARS ENDED JUNE 30, 2023

	FY'23						FY'22							
		Final Budget		Actual	F	ariance Positive legative)		Final Budget		Actual	Ī	/ariance Positive legative)		
REVENUES Local Transportation Funding allocation	œ.	19,024,257	\$	19,024,256	s	(1)	\$	12,959,175	<u>s</u>	12,959,174	\$	(4)		
Local transportation funding anocation Local transportation funding - prior year	Ф	19,024,257	ā	19,024,250	ð	(1)	Þ	12,353,175	Þ	12,353,174	ð	(1)		
unearned		-		-		-				495,262		495,262		
Refunding proceeds from member agency		_		_		_				170,031		170,031		
Interest income (expense)		-		15,682	\$	15,682				(37,524)	\$	(37,524)		
Total revenues		19,024,257		19,039,938		15,681		12,959,175		13,586,943		627,768		
EXPENDITURES														
Operating Debt		19,024,257		18,946,059 257,878		(78,199) 257,878		12,959,175		13,563,495 462,517		604,320 462,517		
Dest				237,070		237,070				402,517		402,511		
Total expenditures	_	19,024,257		19,203,937		179,680		12,959,175		14,026,012		1,066,837		
Change in fund balance	\$		\$	(163,999)	\$	(163,999)	\$		\$	(439,069)	\$	(439,069)		
Fund balance:														
Beginning of year			\$	2,910,969					\$	3,350,038				
End of year			\$	2,746,970					\$	2,910,969				



INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

Board of Directors 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 Local Transportation Funds (LTF) accounts of the Gold Coast Transit District (District) as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 14, 2024.

Report on 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) relating to the LTF accounts as a basis for designing audit procedures 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 relating to the LTF accounts. Accordingly, we do not express an opinion on the effectiveness of the District's internal control relating to the LTF accounts.

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 District'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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LTF accounts' financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the LTF accounts. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the LTF accounts. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California March 14. 2024

Nigro & Nigro, PC

CITY OF OJAI TRANSPORTATION DEVELOPMENT ACT FUND FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT For the Fiscal Years Ended June 30, 2023 and 2022

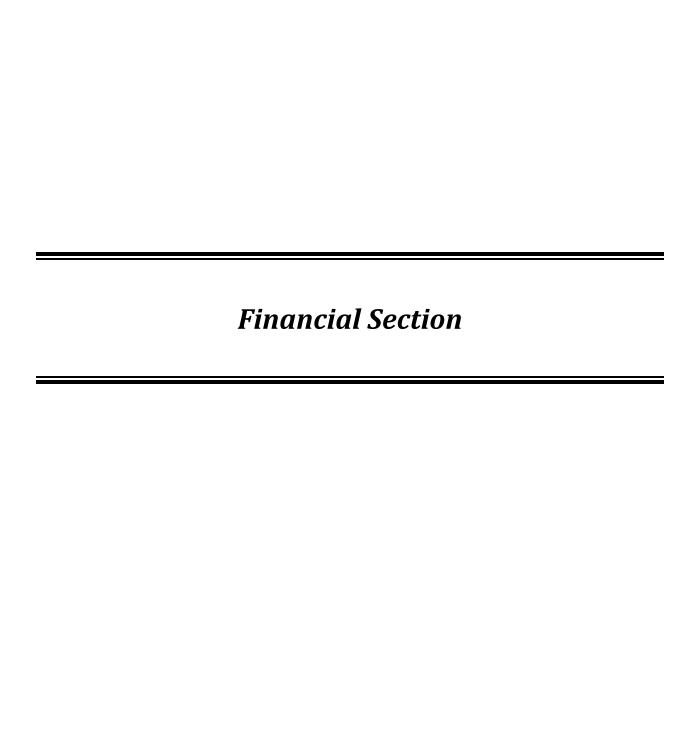


CITY OF OJAI TRANSPORTATION DEVELOPMENT ACT –ARTICLE 4 TRANSPORTATION DEVELOPMENT ACT FUND

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council of the City of Ojai Ojai, California

Opinion

We have audited the accompanying basic financial statements of the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Ojai (City) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the TDA accounts of the City, as of June 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the TDA Fund and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2023 and 2022, or the changes in its financial position for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud May involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
 statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control relating the TDA accounts. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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.

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TDA Fund's financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards and Transportation Development Act

In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated March 21, 2024, on our consideration of the City's internal control over TDA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the City's internal control over the TDA accounts' financial reporting and compliance.

Murrieta, California March 21, 2024

Nigro & Nigro, PC

Balance Sheets June 30, 2023 and 2022

	Article 4			
	202	23	20	22
ASSETS Current assets: Cash and cash equivalents	\$		\$	
Total current assets		-		-
LIABILITIES & FUND BALANCE Current liabilities: Accounts payable and accrued expenses		<u>-</u>		_
Total current liabilities		-		-
Fund balance: Restricted for TDA Article 4 expenditures				
Total fund balance		-		-
Total liabilities and fund balance	\$		\$	

Statements of Revenues Expenses and Changes in Fund Balance For the Fiscal Years Ended June 30, 2023 and 2022

	Article 4				
	2023			2022	
REVENUES Local Transportation Funding allocation Interest earnings	\$	133,596 1,337	\$	139,270 694	
Total revenues		134,933		139,964	
EXPENDITURES Operating		134,933		139,964	
Total expenditures		134,933		139,964	
Change in fund balance		-		-	
Net Position					
Beginning of year		-		-	
End of year	\$	-	\$	-	

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Ojai, California, (City) only and are not intended to present fairly the financial position or results of operations of the City in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, Article 4 monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the City on behalf of the Gold Coast Transit District (GCTD). The Article 4 funds are passed through GCTD, the City is not the direct claimant.

Basis of Accounting and Measurement Focus

The TDA Fund is a Special Revenue Fund and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

Financial Reporting

The accounts of the City are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City accounts for the activity of the TDA Article 4, Section 99260(a) Fund in its TDA Fund, which is a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the City. For the City, funds received under TDA Article 4, Section 99260(a) of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Control

The City administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the City's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Fund Balance

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation. As of June 30, 2023 and 2022, respectively, the fund balances for the TDA Fund of the City were \$0.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The City has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and investments balance as of June 30, 2023 and 2022, was \$0.

The TDA Fund's cash is deposited in the City's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the City and are included in the City's basic financial statements.

NOTE 3 - RESTRICTIONS

Funds received pursuant to Public Utilities Code TDA Article 4 §99260(a) may only be used for public transportation activities.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

California Public Utilities Code
Chapter 4 – Transportation Development
Article 4 – Claims for Funds
Section 99268.5(c) – Fare Ratio Requirement for Exclusive Services to Elderly and Disabled Persons

In a county which had less than 500,000 population, as determined by the 1970 federal decennial census, and more than 500,000 in population, as determined by the 1980 or 1990 federal decennial census, an operator in the county shall maintain a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247 ("operating cost" means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the Controller pursuant to Section 99243), at least equal to one-fifth (20%) if serving an urbanized area or one-tenth (10%) if serving a nonurbanized area.

Ojai Trolley

The following information is provided by the City's TDA Fund.

For the fiscal years ended June 30, 2023 and 2022, the fare ratio requirement was calculated as follows:

	2023	2022
Operating revenues: Passenger fares for transit services	\$ 27,408	\$ 79,785
Total operating revenues	27,408	79,785
Operating Expenses Less:	134,933	139,270
Insurance expense Depreciation expense	2,479 34,585	27,720
Net operating expenses	\$ 97,869	\$ 111,550
Total fare ratio	28.00%	71.52%
Total fare ratio requirement pursuant to Section 99268.5(c)	20%	20%

For the purposes of the fare ratio requirement calculation, only the expenses of the City's bus system were included in the operating expenses.

For the fiscal year ended June 30, 2023 and 2022, the City complied with the fare ratio requirement.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 5 - ADJUSTMENTS

In fiscal year ending June 30, 2022, the City had capital projects listed on the Schedule of Status of Funds by Project that had been completed. The Automatic Voice Annunciators and the Trolley Storage Area were completed as of June 30, 2021. An adjustment was shown on the June 30, 2022, Schedule of Status of Funds by Project, to show the completion of the projects and correctly state ending operating and capital balances. The adjustment had no impact on net position.

For fiscal year ending June 30, 2023, an adjustment was shown in the Schedule of Status of Funds by Project to zero out ending operating and capital balances. The adjustment had no effect on net position.

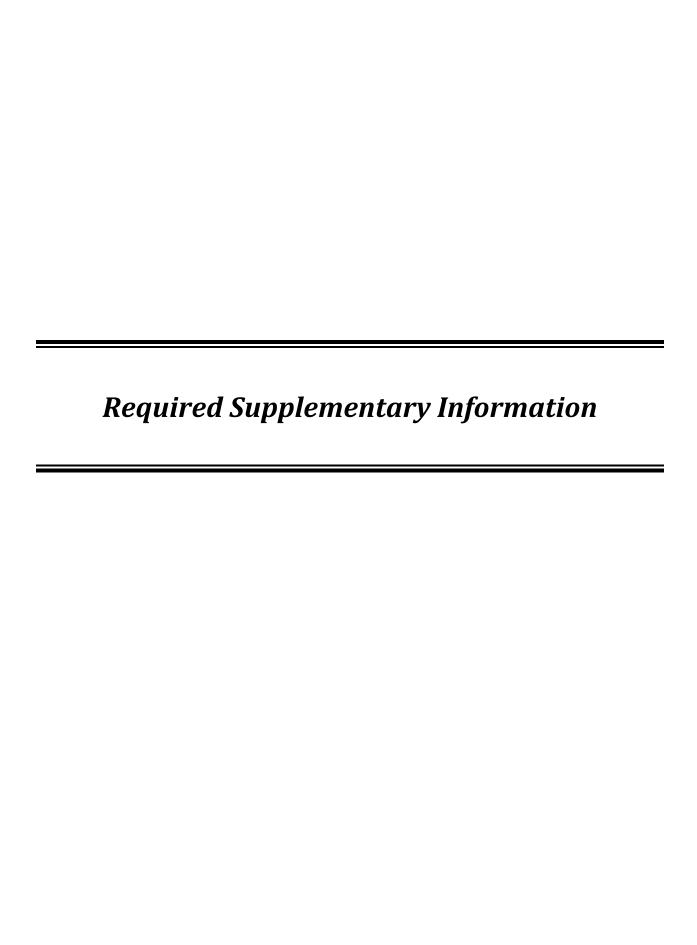
See the Schedules of Status of Funds by Project in the Supplementary Information for more details.

NOTE 6 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, in the opinion of the City administration, there were no outstanding matters which would have a significant effect on the financial position of these financial statements.

NOTE 7 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through March 21, 2024, the date on which the financial statements were available to be issued.

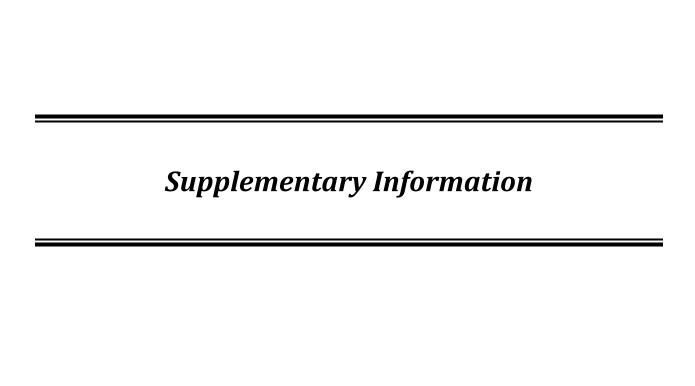


Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)		
REVENUES Local Transportation Funding allocation	\$ 144,567	\$ 133,596	\$ (10,971)		
Interest earnings	912	1,337	425		
Total revenues	145,479	134,933	(10,546)		
EXPENDITURES Operating Capital	91,697 52,900	134,933	(43,236) 52,900		
Total expenditures	144,597	134,933	9,664		
Change in fund balance	\$ 882	-	\$ (882)		
Fund balance: Beginning of year					
End of year		\$ -			

Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
REVENUES Local Transportation Funding allocation	\$ 158,000	\$ 139,270	\$ (18,730)
Local Transportation Funding allocation Interest earnings	450	694	244
Total revenues	158,450	139,964	(18,486)
EXPENDITURES Operating	783,180	139,964	643,216
Total expenditures	783,180	139,964	643,216
Change in fund balance	\$ (624,730)	-	\$ 624,730
Fund balance: Beginning of year		<u>-</u>	
End of year		\$ -	



Schedules of Status of Funds by Project June 30, 2023 and 2022

Changes in project status for fiscal year ended June 2023, was as follows:

	Begin Bala	•		Local Isportation Fund Ilocation	Adj	justments	Ea Al	nterest arnings location xpense)	Exj	penditures	Ending Balance	
OPERATING Ojai Trolley	¢		¢	91,667	¢.	41,929	\$	1,337	¢	(124 022)	\$	
Total operating	<u> </u>		<u> </u>	91,667	<u> </u>	41,929	<u> </u>	1,337	<u> </u>	(134,933)	Φ	<u> </u>
CAPITAL (Note 5)				41.020		(41.020)		·				
Bus Shelter Improvements Total capital				41,929 41,929		(41,929) (41,929)						<u> </u>
Total	\$	-	\$	133,596	\$	-	\$	1,337	\$	(134,933)	\$	_

Changes in project status for fiscal year ended June 2022, was as follows:

	eginning Balance	Local nsportation Fund llocation	Adj	justments	Ea All	terest rnings ocation cpense)	Exj	penditures	Ending Balance
OPERATING Ojai Trolley	\$ (10,971)	\$ 139,270	\$	10,971	\$	694	\$	(139,964)	\$ -
Total operating	(10,971)	139,270		10,971		694		(139,964)	-
CAPITAL (Note 5) Ojai Automatic Voice Annunciators Ojai Trolley Storage Area	 6,653 4,318	- -		(6,653) (4,318)		- -		-	-
Total capital	 10,971			(10,971)				_	-
Total	\$ -	\$ 139,270	\$	-	\$	694	\$	(139,964)	\$ -





INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

To the Honorable Mayor and Members of the City Council of the City of Ojai Ojai, 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 Transportation Development Act (TDA) Fund of the City of Ojai (City) which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, for the years then ended, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated March 21, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) relating to the TDA Fund as a basis for designing audit procedures 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 City's internal control relating to the TDA Fund. Accordingly, we do not express an opinion on the effectiveness of the City's internal control relating to the TDA Fund.

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 City'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 or significant deficiencies May exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the TDA Fund financial statements are free of material misstatement we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the TDA Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the TDA Fund. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California March 21, 2024

Nigro & Nigro, PC

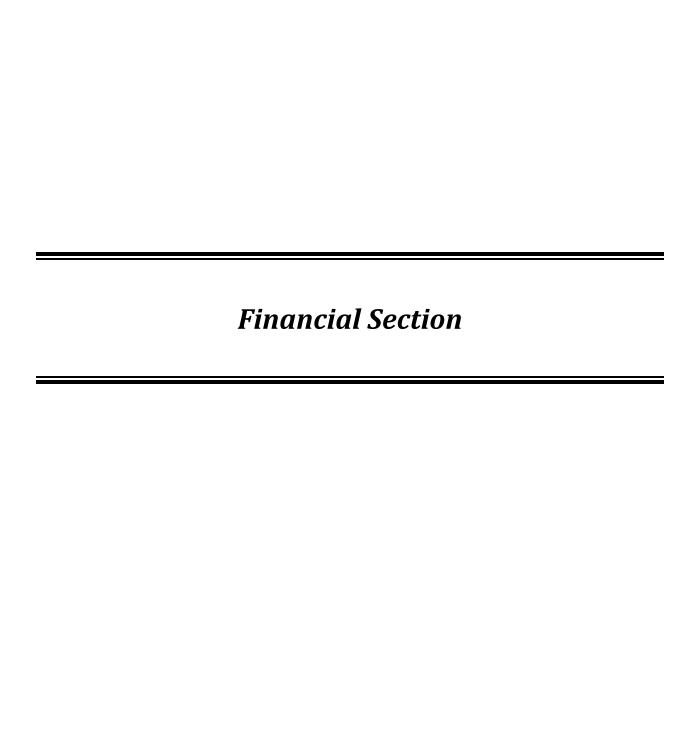
CITY OF OXNARD TRANSPORTATION DEVELOPMENT ACT FUND FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT For the Fiscal Years Ended June 30, 2023 and 2022



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council of the City of Oxnard Oxnard, California

Opinion

We have audited the accompanying basic financial statements of the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Oxnard (City) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the TDA accounts of the City, as of June 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the TDA Fund and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2023 and 2022, or the changes in its financial position for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud May involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
 statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control relating the TDA accounts. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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.

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TDA Fund's financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards and Transportation Development Act

In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated December 31, 2023, on our consideration of the City's internal control over TDA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the City's internal control over the TDA accounts' financial reporting and compliance.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

Balance Sheets June 30, 2023 and 2022

	Article 4				
	2023	2022			
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 222,019	\$ 507,596			
Due from other governments	578,592	342,852			
Total current assets	800,611	850,448			
LIABILITIES & FUND BALANCE					
Current liabilities:					
Accounts payable and accrued expenses	72,089	178,528			
Unearned revenue	580,293	370,185			
Total liabilities	652,382	548,713			
Fund balance:					
Restricted for TDA Article 4 expenditures	148,229	301,735			
Total fund balance	148,229	301,735			
Total liabilities and fund balance	\$ 800,611	\$ 850,448			

Statements of Revenues Expenses and Changes in Fund Balance For the Fiscal Years Ended June 30, 2023 and 2022

	Article 4				
		2023	2022		
REVENUES					
Local Transportation Funding allocation	\$	398,481	\$	640,110	
Lease reveue		242,383		181,717	
Interest earnings		6,893		704	
Fair-value adjustment		(2,909)		(17,759)	
Other revenue		27,264		(11,559)	
Total revenues		672,112		793,213	
EXPENDITURES					
Operating		825,618		779,020	
Capital outlay		_		99,900	
Total expenditures		825,618		878,920	
Change in fund balance		(153,506)		(85,707)	
Net Position					
Beginning of year		301,735		387,442	
End of year	\$	148,229	\$	301,735	

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Oxnard, California, (City) only and are not intended to present fairly the financial position or results of operations of the City in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, Article 4 monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the City on behalf of the Gold Coast Transit District (GCTD). The Article 4 funds are passed through GCTD, the City is not the direct claimant.

Basis of Accounting and Measurement Focus

The TDA Fund is a Special Revenue Fund, and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

Financial Reporting

The accounts of the City are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City accounts for the activity of the TDA Article 4, Section 99260(a) Fund in its TDA Fund, which is a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the City. For the City, funds received under TDA Article 4, Section 99260(a) of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Control

The City administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the City's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Fund Balance

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation. As of June 30, 2023 and 2022, respectively, the fund balances for the TDA Fund of the City are Restricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The City has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and investments balance as of June 30, 2023, and 2022, was \$222,019 and \$507,596, respectively.

The TDA Fund's cash is deposited in the City's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the City and are included in the City's basic financial statements.

NOTE 3 - RESTRICTIONS

Funds received pursuant to Public Utilities Code TDA Article 4 §99260(a) may only be used for public transportation activities.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - REFUNDS AND RE-ALLOCATIONS

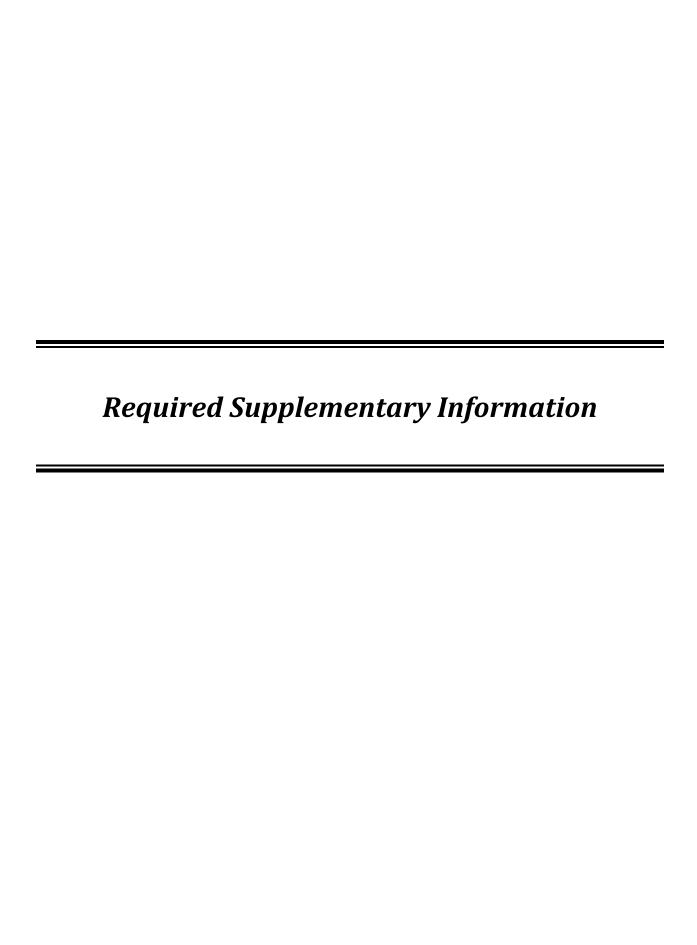
In the fiscal year ending June 30, 2022, \$99,900 of capital expenditures related to bus stop improvements were reported as Oxnard Transit Center operating expenses. This caused the remaining unused funds of \$205,550 allocated for the bus stop improvements to be overstated. The \$205,550 was subsequently returned to Gold Coast Transit District (GCTD) in the fiscal year ending June 30, 2023, via a credit to the Local Transportation Funds allocated to the City of Oxnard. The \$99,900 in excess capital funds returned to GCTD will be added to the Local Transportation Funds allocated to the City of Oxnard in the Fiscal year ending June 30, 2024. See the Schedules of Status of Funds by Project in the supplementary information section of this report for the corrected June 30, 2022, project roll forward.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, in the opinion of the City administration, there were no outstanding matters which would have a significant effect on the financial position of these financial statements.

NOTE 6 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 31, 2023, the date on which the financial statements were available to be issued.

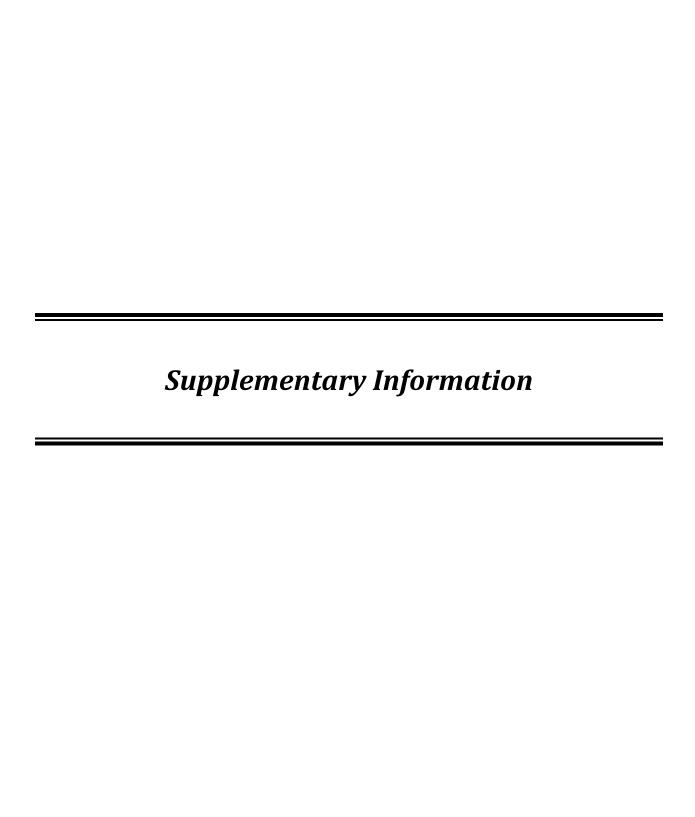


Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local Transportation Funding allocation	\$ 604,031	\$ 398,481	\$ (205,550)
Lease reveue	251,089	242,383	(8,706)
Interest earnings	2,259	6,893	4,634
Fair-value adjustment	-	(2,909)	(2,909)
Other revenue		27,264	27,264
Total revenues	857,379	672,112	(185,267)
EXPENDITURES			
Operating	1,107,016	825,618	281,398
Total expenditures	1,107,016	825,618	281,398
Change in fund balance	\$ (249,637)	(153,506)	\$ 96,131
Fund balance:			
Beginning of year		301,735	
End of year		\$ 148,229	

Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local Transportation Funding allocation	\$ 640,11	10 \$ 640,110	\$ -
Lease reveue	251,08	39 181,717	(69,372)
Interest earnings	5,36	50 704	(4,656)
Fair-value adjustment		- (17,759)	(17,759)
Other revenue		- (11,559)	(11,559)
Total revenues	896,55	793,213	(103,346)
EXPENDITURES			
Operating	1,107,01	16 779,020	327,996
Capital outlay		- 99,900	(99,900)
Total expenditures	1,107,01	878,920	228,096
Change in fund balance	\$ (210,45	(85,707)	\$ 124,750
Fund balance:			
Beginning of year		387,442	
End of year		\$ 301,735	



Schedules of Status of Funds by Project June 30, 2023 and 2022

Changes for fiscal year ended June 30, 2023, were as follows:

	Beginning Balance		Local Transportation Fund Allocation		Other Local Revenue		Allocation Adjustments /Refunds		 air-Value justments	1	Interest Earnings Allocation (Expense)	Expenditures		Ending Balance	
OPERATING Oxnard Transit Center Bus stop maintenance	\$	196,085	\$	298,481 100,000	\$	269,647 -	\$	205,550	\$ (2,909)	\$	6,893	\$	(725,618) (100,000)	\$	248,129
Total operating		196,085		398,481		269,647		205,550	(2,909)		6,893		(825,618)		248,129
CAPITAL Bus stop improvements (note 4)		105,650						(205,550)	 		-				(99,900)
Total capital		105,650						(205,550)	-						(99,900)
Total	\$	301,735	\$	398,481	\$	269,647	\$		\$ (2,909)	\$	6,893	\$	(825,618)	\$	148,229

Changes for fiscal year ended June 30, 2022, were as follows:

	eginning Balance	Local Transportation Fund Allocation		Other Local Revenue	Fair-Value Adjustments			Interest Earnings Allocation (Expense)	Ex	penditures	Ending Balance		
OPERATING													
Oxnard Transit Center Bus stop maintenance	\$ 181,891	\$	560,000 80,110	\$ 170,158	\$	(17,758)	\$	704	\$	(698,910) (80,110)	\$	196,085	
Total operating	 181,891		640,110	 170,158		(17,758)	_	704		(779,020)		196,085	
CAPITAL Bus stop improvements (note 4)	205,550							<u>-</u>		(99,900)		105,650	
Total capital	 205,550					-				(99,900)		105,650	
Total	\$ 387,441	\$	640,110	\$ 170,158	\$	(17,758)	\$	704	\$	(878,920)	\$	301,735	





INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

To the Honorable Mayor and Members of the City Council of the City of Oxnard 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 Transportation Development Act (TDA) Fund of the City of Oxnard (City) which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, for the years then ended, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated December 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) relating to the TDA Fund as a basis for designing audit procedures 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 City's internal control relating to the TDA Fund. Accordingly, we do not express an opinion on the effectiveness of the City's internal control relating to the TDA Fund.

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 City'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 or significant deficiencies may exist that have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the TDA Fund financial statements are free of material misstatement we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 City's internal control or on compliance relating to the TDA Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance relating to the TDA Fund. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

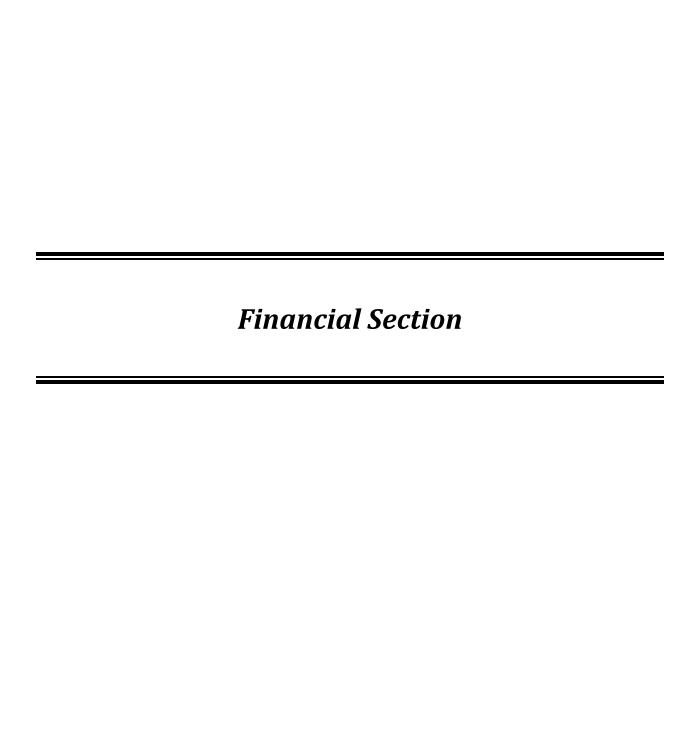
CITY OF PORT HUENEME TRANSPORTATION DEVELOPMENT ACT FUND FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT For the Fiscal Years Ended June 30, 2023 and 2022



For the Fiscal Years Ended June 30, 2023 and 2022 Table of Contents

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council of the City of Port Hueneme Port Hueneme, California

Opinion

We have audited the accompanying basic financial statements of the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Port Hueneme (City) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the TDA accounts of the City, as of June 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the TDA Fund and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2023 and 2022, or the changes in its financial position for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud May involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control relating the TDA accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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.

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TDA Funds' financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards and Transportation Development Act

In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated December 31, 2023, on our consideration of the City's internal control over TDA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the City's internal control over the TDA Funds' financial reporting and compliance.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

Balance Sheets June 30, 2023 and 2022

	Article 4				
		2023		2022	
ASSETS					
Current assets:					
Cash and cash equivalents	\$	79,568	\$	121,386	
Accrued interest		320		94	
Total current assets		79,888		121,480	
LIABILITIES & FUND BALANCE					
Current liabilities:					
Accounts payable and accrued expenses		60,893		-	
Total liabilities		60,893		-	
Fund balance:					
Restricted for TDA Article 4 expenditures		18,995		121,480	
Total fund balance		18,995		121,480	
Total liabilities and fund balance	\$	79,888	\$	121,480	

Statements of Revenues Expenses and Changes in Fund Balance For the Fiscal Years Ended June 30, 2023 and 2022

	Article 4				
	2023			2022	
REVENUES Local Transportation Funding allocation Interest earnings	\$	- 1,211	\$	- 327	
Total revenues		1,211		327	
EXPENDITURES					
Capital outlay		103,696		23,939	
Total expenditures		103,696		23,939	
Change in fund balance		(102,485)		(23,612)	
Fund Balance:					
Beginning of year		121,480		145,092	
End of year	\$	18,995	\$	121,480	

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of Port Hueneme, California, (City) only and are not intended to present fairly the financial position or results of operations of the City in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, Article 4 monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the City on behalf of the Gold Coast Transit District (GCTD). The Article 4 funds are passed through GCTD, the City is not the direct claimant.

Basis of Accounting and Measurement Focus

The TDA Fund is a Special Revenue Fund and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

Financial Reporting

The accounts of the City are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City accounts for the activity of the TDA Article 4, Section 99260(a) Fund in its TDA Fund, which is a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the City. For the City, funds received under TDA Article 4, Section 99260(a) of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Control

The City administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the City's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Fund Balance

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation. As of June 30, 2023 and 2022, respectively, the fund balances for the TDA Fund of the City are Restricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The City has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and investments balance as of June 30, 2023 and 2022, was \$79,568 and \$121,386, respectively.

The TDA Fund's cash is deposited in the City's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the City and are included in the City's basic financial statements.

NOTE 3 - RESTRICTIONS

Funds received pursuant to Public Utilities Code TDA Article 4 §99260(a) may only be used for public transportation activities.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

As of June 30, 2023 and 2022, expenditures over appropriations were as follows:

Appropriations Category	2023		 2022
Capital outlay		43,696	23,939
Total	\$	43,696	\$ 23,939

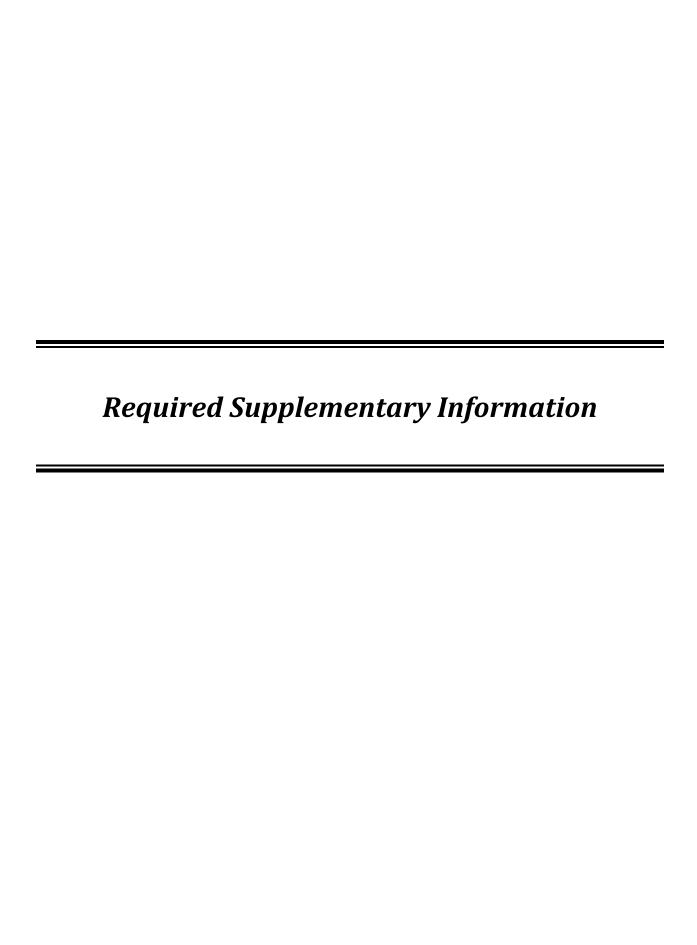
See budgetary comparison schedules for appropriations and actual expenditure amounts.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, in the opinion of the City administration, there were no outstanding matters which would have a significant effect on the financial position of these financial statements.

NOTE 6 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 31, 2023, the date on which the financial statements were available to be issued.

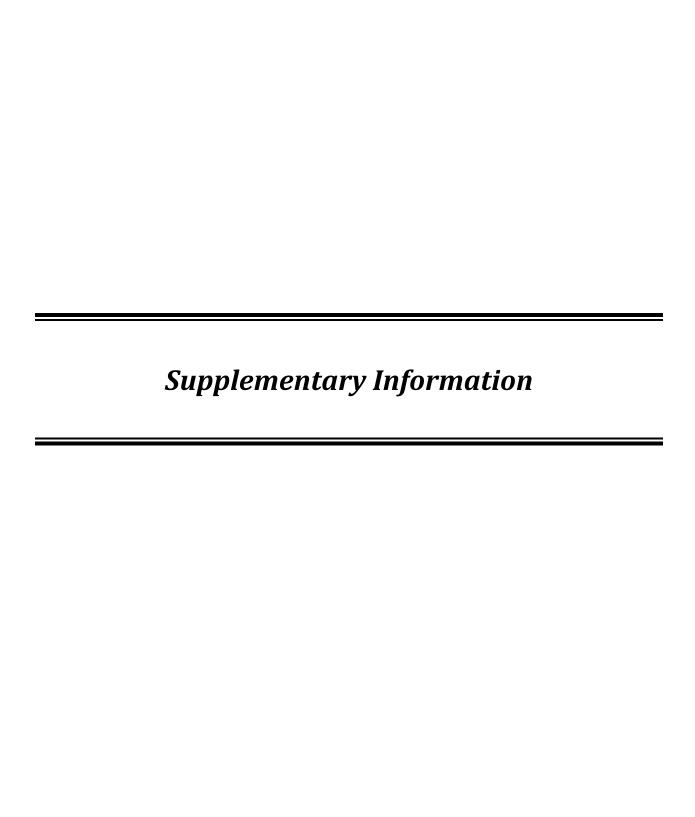


Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2023

	Fina Budg	=	Actual	Variance Positive (Negative)	
REVENUES					
Interest earnings	\$	- \$	1,211	\$	1,211
Total revenues		<u> </u>	1,211		1,211
EXPENDITURES Continuo anthon			102 (0)		(42 (0()
Capital outlay	60	0,000	103,696		(43,696)
Total expenditures	60	0,000	103,696		(43,696)
Change in fund balance	\$ (60),000)	(102,485)	\$	(42,485)
Fund balance:					
Beginning of year			121,480		
End of year		\$	18,995		

Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2022

	Fii <u>Buc</u>	ıal Iget	 Actual	P	ariance Positive Jegative)
REVENUES					
Interest earnings	\$		\$ 327	\$	327
Total revenues			 327		327
EXPENDITURES Capital outlay		_	23,939		(23,939)
•	-		 23,737		
Total expenditures			 23,939		(23,939)
Change in fund balance	\$		(23,612)	\$	(23,612)
Fund balance:					
Beginning of year			145,092		
End of year			\$ 121,480		



Schedules of Status of Funds by Project June 30, 2023 and 2022

Changes for fiscal year ended June 30, 2023, were as follows:

	Interest Beginning Earnings Balance Allocation		Exp	penditures	Ending Balance		
OPERATING							
Bus stop maintenance*	\$	(3,671)	\$ 1,211	\$	-	\$	(2,460)
Total operating		(3,671)	1,211				(2,460)
CAPITAL							
Bus stop amenities		374	-		-		374
Bus stop - Ventura Road and Bard		77,776	-		(56,695)		21,081
Upgrade bus stops and shelters		47,001	 		(47,001)		-
Total capital		125,151	-		(103,696)		21,455
Total	\$	121,480	\$ 1,211	\$	(103,696)	\$	18,995

The above capital projects are anticipated to be completed in fiscal year ending June 30, 2024, with an unused funds to be returned to Gold Coast Transit District in the fiscal year ending June 30, 2025.

Changes for fiscal year ended June 30, 2022, were as follows:

		eginning Balance	Ear	terest mings ocation	Exp	enditures		Ending Balance
OPERATING Pug stop maintenance	¢	(2,000)	¢	327	¢		¢	(2.671)
Bus stop maintenance	<u> </u>	(3,998)	\$	347	\$		\$	(3,671)
Total operating		(3,998)		327		-		(3,671)
CAPITAL								
Bus stop amenities		374		-		-		374
Bus stop - Ventura Road and Bard		77,776		-		-		77,776
Upgrade bus stops and shelters		70,940		-		(23,939)		47,001
Total capital		149,090		-		(23,939)		125,151
Total	\$	145,092	\$	327	\$	(23,939)	\$	121,480

^{*} Bus stop maintenance has carried forward a negative ending balance since fiscal year ending June 30, 2019. The City had more expenditures than Local Transportation Funds (LTF) allocated and have not received any LTF allocations in the subsequent years.





INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

To the Honorable Mayor and Members of the City Council of the City of Port Hueneme Port Hueneme, 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 Transportation Development Act (TDA) Fund of the City of Port Hueneme (City) which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, for the years then ended, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated December 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) relating to the TDA Fund as a basis for designing audit procedures 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 City's internal control relating to the TDA Fund. Accordingly, we do not express an opinion on the effectiveness of the City's internal control relating to the TDA Fund.

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 City'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the TDA Fund financial statements are free of material misstatement we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the TDA Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the TDA Fund. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

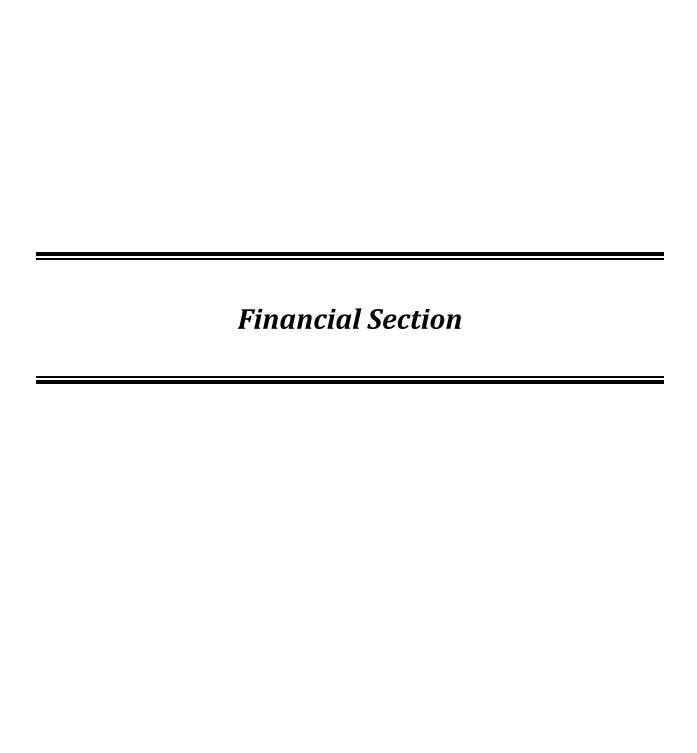
CITY OF SAN BUENAVENTURA TRANSPORTATION DEVELOPMENT ACT FUND FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT For the Fiscal Years Ended June 30, 2023 and 2022



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council of the City of San Buenaventura San Buenaventura, California

Opinion

We have audited the accompanying basic financial statements of the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of San Buenaventura (City) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the TDA accounts of the City, as of June 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the TDA Fund and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2023 and 2022, or the changes in its financial position for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
 statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control relating the TDA accounts. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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.

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TDA Fund's financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards and Transportation Development Act

In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated December 6, 2023, on our consideration of the City's internal control over TDA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the City's internal control over the TDA accounts' financial reporting and compliance.

Murrieta, California December 6, 2023

Nigro & Nigro, PC

Balance Sheets June 30, 2023 and 2022

	Article 4			
	2023	2022		
ASSETS Current assets: Cash and cash equivalents (note 2)	\$ 79,289	\$ 108,935		
Total current assets	79,289	108,935		
LIABILITIES & FUND BALANCE Current liabilities: Accounts payable and accrued expenses	4,543	2,660		
Total liabilities	4,543	2,660		
Fund balance: Restricted for TDA Article 4 expenditures	74,746	106,275		
Total fund balance	74,746	106,275		
Total liabilities and fund balance	\$ 79,289	\$ 108,935		

Statements of Revenues Expenses and Changes in Fund Balance For the Fiscal Years Ended June 30, 2023 and 2022

	Article 4					
	2023			2022		
REVENUES		_		_		
Local Transportation Funding allocation	\$	278,264	\$	251,454		
Interest earnings		2,078		1,223		
Fair-value adjustment		2,193		(5,842)		
Total revenues		282,535		246,835		
EXPENDITURES						
Operating		314,064		283,267		
Total expenditures		314,064		283,267		
Change in fund balance		(31,529)		(36,432)		
Fund Balance:						
Beginning of year		106,275		142,707		
End of year	\$	74,746	\$	106,275		

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the City of San Buenaventura, California, (City) only and are not intended to present fairly the financial position or results of operations of the City in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, Article 4 monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the City on behalf of the Gold Coast Transit District (GCTD). The Article 4 funds are passed through GCTD, the District is not a direct claimant.

Basis of Accounting and Measurement Focus

The TDA Fund is a Special Revenue Fund, and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

Financial Reporting

The accounts of the City are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City accounts for the activity of the TDA Article 4, Section 99260(a) Fund in its TDA Fund, which is a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the City. For the City, funds received under TDA Article 4, Section 99260(a) of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Control

The City administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the City's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Fund Balance

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation. As of June 30, 2023 and 2022, respectively, the fund balances for the TDA Fund of the City are Restricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The City has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and investments balance as of June 30, 2023 and 2022, was \$79,289 and \$108,935, respectively.

The TDA Fund's cash is deposited in the City's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the City and are included in the City's basic financial statements.

NOTE 3 - RESTRICTIONS

Funds received pursuant to Public Utilities Code TDA Article 4 §99260(a) may only be used for public transportation activities.

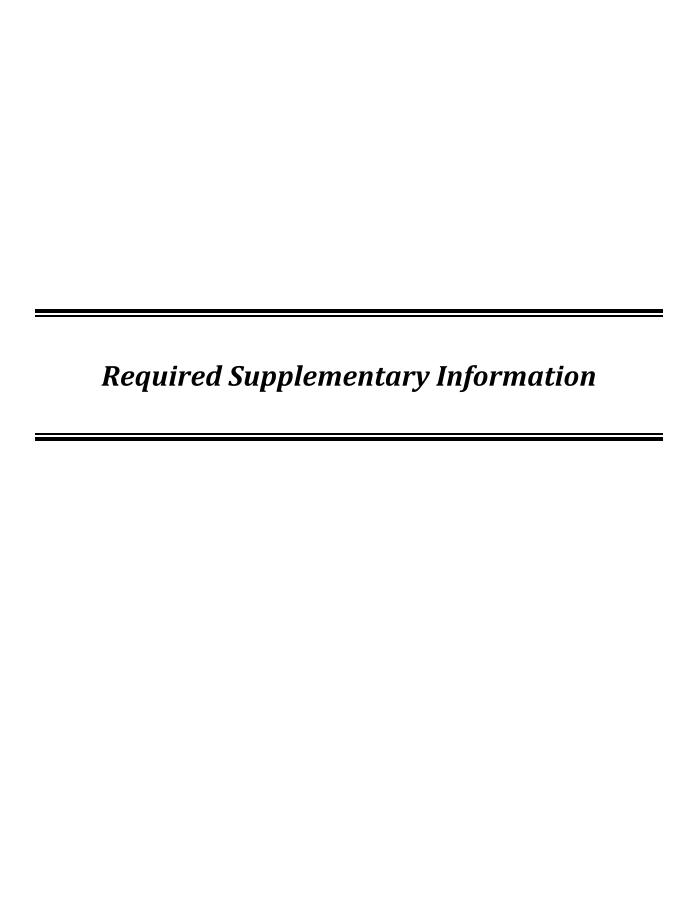
Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, in the opinion of the City administration, there were no outstanding matters which would have a significant effect on the financial position of these financial statements.

NOTE 5 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 6, 2023, the date which the financial statements were available to be issued.

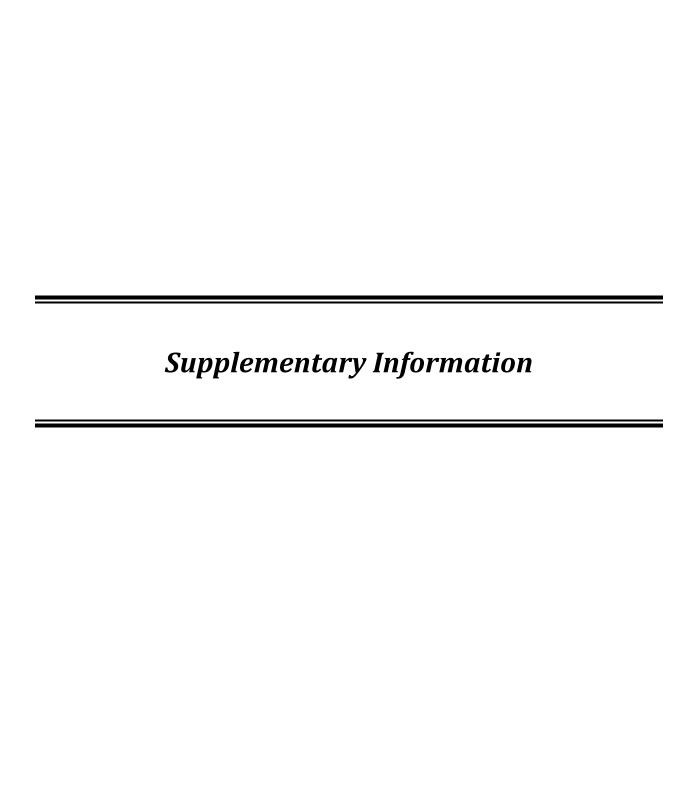


Budgetary Comparison Schedules For the Fiscal Year Ended June 30, 2023

	Final Budget	Actual	Variance Positive (Negative)	
REVENUES				
Local Transportation Funding allocation Interest earnings	\$ 299,000 800	\$ 278,264 2,078	\$ (20,736) 1,278	
Fair-value adjustment		2,193	2,193	
Total revenues	299,800	282,535	(17,265)	
EXPENDITURES				
Operating	351,283	314,064	37,219	
Total expenditures	351,283	314,064	37,219	
Change in fund balance	\$ (51,483)	(31,529)	\$ 19,954	
Fund balance:				
Beginning of year		106,275		
End of year		\$ 74,746		

Budgetary Comparison Schedules For the Fiscal Year Ended June 30, 2022

	Final Budget		 Actual	Variance Positive (Negative)		
REVENUES						
Local Transportation Funding allocation	\$	299,176	\$ 251,454	\$	(47,722)	
Interest earnings		430	1,223		793	
Fair-value adjustment		-	(5,842)		(5,842)	
Total revenues		299,606	 246,835		(52,771)	
EXPENDITURES						
Operating		299,606	283,267		16,339	
Total expenditures		299,606	283,267		16,339	
Change in fund balance	\$		(36,432)	\$	(36,432)	
Fund balance:						
Beginning of year			142,707			
End of year			\$ 106,275			



Schedules of Status of Funds by Project For the Fiscal Years Ended June 30, 2023 and 2022

Changes for the fiscal year ended June 30, 2023, were as follows:

	Beginning Balance		Local Transportation Fund Allocation		Fair-Value Adjustments		Interest Earnings Allocation (Expense)		Expenditures		 Ending Balance
OPERATING											
Ventura Transportation Center (VTC)	\$	67,708	\$	278,264	\$	2,193	\$	2,078	\$	(314,064)	\$ 36,179
Total operating		67,708		278,264		2,193		2,078		(314,064)	36,179
CAPITAL											
Wells Center Bus Stop Upgrade		28,352		-		-		-		-	28,352
Truck Purchase		7,219		-		-		-		-	7,219
VTC Bathroom Remodel		2,996				-		-			2,996
Total capital		38,567				-		-		-	38,567
Total	\$	106,275	\$	278,264	\$	2,193	\$	2,078	\$	(314,064)	\$ 74,746

As of June 30, 2023, all the above-mentioned capital projects have been completed, and the remaining unused funds of \$38, 567 will be returned to Gold Coast Transit District in the fiscal year ending June 30, 2024.

Changes for the fiscal year ended June 30, 2022, were as follows:

	Beginning Balance		Local Transportation Fund Allocation		Fair-Value Adjustments		Interest Earnings Allocation (Expense)		Expenditures		Ending Balance
OPERATING Ventura Transportation Center (VTC)	\$	104,140	\$	251,454	\$	(5,842)	\$	1,223	\$	(283,267)	\$ 67,708
Total operating		104,140		251,454		(5,842)		1,223		(283,267)	67,708
CAPITAL Wells Center Bus Stop Upgrade Truck Purchase VTC Bathroom Remodel		28,352 7,219 2,996		- - -		- -		- - -		- - -	28,352 7,219 2,996
Total capital		38,567		-						-	38,567
Total	\$	142,707	\$	251,454	\$	(5,842)	\$	1,223	\$	(283,267)	\$ 106,275





INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

To the Honorable Mayor and Members of the City Council of the City of San Buenaventura San Buenaventura, 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 Transportation Development Act (TDA) Fund of the City of San Buenaventura (City) which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, for the years then ended, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated December 6, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) relating to the TDA Fund as a basis for designing audit procedures 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 City's internal control relating to the TDA Fund. Accordingly, we do not express an opinion on the effectiveness of the City's internal control relating to the TDA Fund.

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 City'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the TDA Fund financial statements are free of material misstatement we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the TDA Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the TDA Fund. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California December 6, 2023

Nigro & Nigro, PC

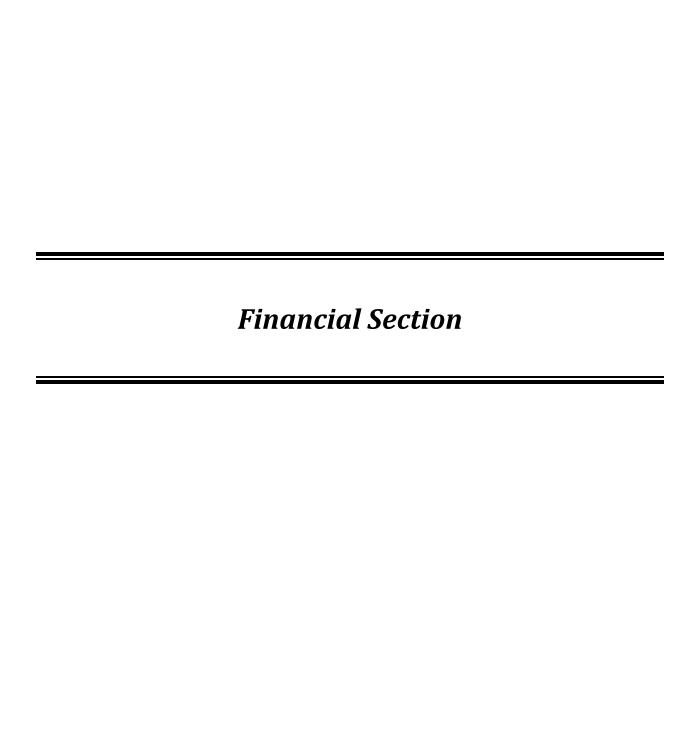
COUNTY OF VENTURA TRANSPORTATION DEVELOPMENT ACT FUND FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT For the Fiscal Years Ended June 30, 2023 and 2022



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INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Supervisors of the County of Ventura Ventura, California

Opinion

We have audited the accompanying basic financial statements of the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the County of Ventura (County) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the County as of June 30, 2023 and 2022, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the TDA Fund and do not purport to, and do not, present fairly the financial position of the County as of June 30, 2023 and 2022, or the changes in its financial position for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud May involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
 statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control relating the TDA Fund's. Accordingly, no such opinion is
 expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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.

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TDA Fund's financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards and Transportation Development Act

In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated December 31, 2023, on our consideration of the County's internal control over TDA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the County's internal control over the TDA accounts' financial reporting and compliance.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

Balance Sheets June 30, 2023 and 2022

	Article 4					
		2023		2022		
ASSETS		<u> </u>				
Current assets:						
Cash and cash equivalents (note 2)	\$	646,373	\$	630,009		
Due from other governments		9,130		1,054		
Total current assets		631,063				
LIABILITIES & FUND BALANCE						
Current liabilities:						
Accounts payable and accrued expenses		238,762		196,000		
Total liabilities		238,762		196,000		
Fund balance:						
Restricted for TDA Article 4 expenditures		416,741		435,063		
Total fund balance		416,741		435,063		
Total liabilities and fund balance	\$	655,503	\$	631,063		

Statements of Revenues Expenses and Changes in Fund Balance For the Fiscal Years Ended June 30, 2023 and 2022

	Article 4				
	2023	2022			
REVENUES Local Transportation Funding allocation Interest earnings	\$ 997,597 16,280	\$ 617,456 3,093			
Total revenues	1,013,877 620,54				
EXPENDITURES Operating Refunds	1,032,152 47	942,793 258,233			
Total expenditures	1,032,199 1,201,				
Change in fund balance	(18,322) (580,4				
Net Position					
Beginning of year	435,063	1,015,540			
End of year	\$ 416,741	\$ 435,063			

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (TDA) Article 4, Section 99260(a) Fund (TDA Fund) of the County of Ventura, California, (County) only and are not intended to present fairly the financial position or results of operations of the County in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, Article 4 monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the County on behalf of the Gold Coast Transit District (GCTD). The Article 4 funds are passed through GCTD, the County is not the direct claimant.

Basis of Accounting and Measurement Focus

The TDA Fund is a Special Revenue Fund and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

Financial Reporting

The accounts of the County are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The County accounts for the activity of the TDA Article 4, Section 99260(a) Fund in its TDA Fund, which is a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the County. For the County, funds received under TDA Article 4, Section 99260(a) of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the County receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Control

The County administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the County's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Fund Balance

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation. As of June 30, 2023 and 2022, respectively, the fund balances for the TDA Fund of the County are Restricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2 - CASH AND INVESTMENTS

The County has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and investments balance as of June 30, 2023 and 2022, was \$646,373 and \$630,009, respectively.

The TDA Fund's cash is deposited in the County 's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the County and are included in the County 's basic financial statements.

NOTE 3 - RESTRICTIONS

Funds received pursuant to Public Utilities Code TDA Article 4 §99260(a) may only be used for public transportation activities.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

California Public Utilities Code
Chapter 4 – Transportation Development
Article 4 – Claims for Funds
Section 99268.5(c) – Fare Ratio Requirement for Exclusive Services to Elderly and Disabled Persons

In a county which had less than 500,000 population as determined by the 1970 federal decennial census and more than 500,000 in population as determined by the 1980 or 1990 federal decennial census, an operator in the county shall maintain a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247 ("operating cost" means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the Controller pursuant to Section 99243), at least equal to one-fifth (20%) if serving an urbanized area or one-tenth (10%) if serving a non-urbanized area.

Valley Express

Valley Express provides transit service (fixed route and Dial-A-Ride) for the City of Fillmore, City of Santa Paula, and the County's unincorporated area and all revenues and expenses are recorded with the Ventura County Transportation Commission (VCTC). The County paid \$202,626 and \$164,181 to VCTC to operate the service in the unincorporated areas on its behalf for the fiscal years ended June 30, 2023 and 2022, respectively.

For the fiscal years ended June 30, 2023 and 2022, the fare ratio requirement was calculated as follows:

Description	2023	2022
Operating revenues: Fares AB149 – federal funds*	\$ 65,867 16,200	\$ 40,535 31,650
Total operating revenues	82,067	72,185
Operating expenses: Less: AB149 adjustments**	2,103,412 (1,282,987)	1,688,165 (966,251)
Net operating expenses	\$ 820,425	\$ 721,914
Total fare ratio	10%	10%
Total fare ratio requirement pursuant to section 99268.5 (c)	 10%	10%

^{*} Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating the farebox recovery ratio through the 2022/23 fiscal year.

^{**} In accordance with AB149 Section 99268.17, costs required to operate demand-response and microtransit services that expand access to transit service beyond fixed route corridors shall be excluded from "operating cost" for the purposes of calculating any required ratios of fare revenues to operating cost.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS (continued)

Valley Express (continued)

For the fiscal years ended June 30, 2023 and 2022, the Valley Express was in compliance with the fare ratio requirement.

Thousand Oaks Dial-a-Ride

The County has an Agreement with the City of Thousand Oaks to operate local Senior and Americans with Disabilities Act (ADA) Dial-A-Ride services to the unincorporated areas within and near their service area. The County paid \$28,855 and \$17,272 to City of Thousand Oaks to operate this service on its behalf during the fiscal years ended June 30, 2023 and 2022, respectively.

For the fiscal years ended June 30, 2023 and 2022, the fare ratio requirement was calculated as follows:

Description	 2023	2022
Operating revenues: Pasanger fares for specialized transit services Other local funds AB149 – federal funds*	\$ 74,554 78,432 60,272	\$ 1,020 - 221,978
Total operating revenues	213,258	222,998
Operating expenses: Less: Capital expenditure	 2,299,346 (166,768)	 2,360,903 (130,926)
Net operating expenses	\$ 2,132,578	\$ 2,229,977
Total fare ratio	10%	 10%
Total fare ratio requirement pursuant to section 99268.5(c)	10%	 10%

For purposes of the fare ratio requirement calculation, only the expenses of the bus system were included in the operating expenses. The County pays for a share of the operations of this service. Thousand Oaks Dial-a-Ride also received TDA Article 8 revenue, and its full operations are audited for farebox recovery ratio by VCTC. Contact VCTC for a complete copy of the Thousand Oaks Dial-a-Ride TDA financial statements.

For the fiscal years ended June 30, 2023 and 2022, the City of Thousand Oaks was in compliance with the fare ratio requirement.

* Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating the farebox recovery ratio through the 2023/23 fiscal year.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS (continued)

East County Transit Alliance

An East County Transit Alliance (ECTA) Memorandum of Understanding exists between the Cities of Camarillo, Moorpark, Simi Valley, and Thousand Oaks and the County. The City of Thousand Oaks serves as the Fiscal Agent for ECTA and administers and operates the InterCounty ADA Dial-A-Ride services ("CONNECT" service) for the participating agencies, except for the City of Camarillo which operates its own InterCounty Dial-A-Ride program. The County paid \$3,624 and \$2,308 to the City of Thousand Oaks to operate service to the unincorporated areas within the ECTA service area on its behalf during the fiscal years ended June 30, 2023 and 2022, respectively.

Description	2023			2022
Operating revenues: Pasanger fares for transit services	\$	214,574	\$	58,705
Total operating revenues		214,574		58,705
Operating expenses: Operations expense		1,039,906		682,719
Total operating expenses	\$	1,039,906	\$	682,719
Total fare ratio		21%		9%
Total fare ratio requirement pursuant to section 99268.5(c)		10%		10%

The County pays for a share of the operations of this service. ECTA also received TDA Article 8 revenue, and its full operations are audited for farebox recovery ratio by VCTC. Contact VCTC for a complete copy of the ECTA TDA financial statements.

For the fiscal year ended June 30, 2023 ECTA was in compliance with the fare ratio requirement. For the fiscal year ended June 30, 2022, ECTA was not in compliance with the fare ratio requirement; however, due to COVID-19 pandemic, ECTA was not required to meet the fare ratio.

Per Assembly Bill 149, signed July 16, 2021, penalties will be waived for operators that do not maintain the required ratio of fare revenues to operating costs during fiscal year 2021/2022.

Kanan Shuttle

The Kanan Shuttle serves the unincorporated community of Oak Park and operates fare-free which is possible due to a route guarantee provided by County Service Area (CSA) No. 4, Oak Park Unified School District (OPUSD), and the City of Agoura Hills. The County has an Agreement with the City of Thousand Oaks for operation of the Kanan Shuttle Service. The County paid \$471,662 and \$420,162 to the City of Thousand Oaks to operate the service on its behalf during the fiscal years ended June 30, 2023 and 2022, respectively.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS (continued)

Kanan Shuttle (continued)

For the fiscal years ended June 30, 2023 and 2022, the fare ratio requirement was calculated as follows:

Description	2023	2022		
Operating revenues: Local fare supplementation	\$ 	\$		
Total operating revenues	 		-	
Operating expenses: Operations expense Less: Lease expenditures	471,662 (85,418)		420,162 (85,265)	
Total operating expenses, net	\$ 386,244	\$	334,897	
Total fare ratio	0%		0%	
Total fare ratio requirement pursuant to section 99268.5(c)	 20%		20%	

For the purposes of the fare ratio requirement calculation, only the expenses of the shuttle service were included in the operating expenses. The County pays for the operations of this service.

For the fiscal years ended June 30, 2023 and 2022, Kanan Shuttle was not in compliance with the fare ratio requirement; however, due to the COVID-19 pandemic, Kanan Shuttle was not required to meet the fare ratio requirement.

Per Assembly Bill 149, signed July 16, 2021, penalties will be waived for operators that do not maintain the required ratio of fare revenues to operating costs during fiscal years 22/23 and 21/22.

Ojai Trolley

The City of Ojai operates a trolley service within the City of Ojai and the nearby unincorporated areas of Meiners Oaks and Mira Monte. The County has a Cooperative Agreement with the City of Ojai to provide Trolley service within the unincorporated areas and all revenues and expenses are recorded with the City of Ojai. The County paid \$210,000 and \$321,291 to the City of Ojai to operate this service on its behalf during the fiscal years ended June 30, 2023 and 2022, respectively.

Notes to Financial Statements June 30, 2023 and 2022

NOTE 4 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS (continued)

Ojai Trolley (continued)

For the fiscal years ended June 30, 2023 and 2022, the fare ratio requirement was calculated as follows:

Description		2023	2022		
Operating revenues: Passenger fares for transit services	\$	27,408	\$	79,785	
Total operating revenues	27,408			79,785	
Operating expenses Less:		134,933		139,270	
Insurance expense Depreciation expense		(2,479) (34,585)		- (27,720)	
Total operating expenses, net	\$	97,869	\$	111,550	
Total fare ratio		28.00%		71.52%	
Total fare ratio requirement pursuant to section 99268.5(c)	20%			20%	

For purposes of the fare ratio requirement calculation, only the expenses of the City of Ojai's trolley operation were included in the operating expenses. The City of Ojai also received TDA Article 4 revenue, and its full operations are audited for farebox recovery ratio by the City of Ojai's auditors. Contact the City of Ojai for a complete copy of the financial statements.

For the fiscal years ended June 30, 2023 and 2022, the County of Ojai met the fare ratio requirement.

NOTE 5 - REFUNDS AND RE-ALLOCATIONS

In the fiscal year ending June 30, 2023, the County made one refund to Gold Coast Transit District. The refund, in the amount of \$47, was for capital projects that had been completed or discontinued. The County also was approved by Gold Coast Transit District to re-allocate unused Local Transportation funds in the amount of \$137,507. The re-allocation amounts were as follows:

Agency	 llocation ljustments
Thousand Oaks Dial-a-Ride East County Transit Alliance County Transit Services Management and Oversight	 (49,875) (27,915) (59,717)
	 (137,507)
Valley Express Kanan Shuttle Ojai Trolley County Bus Stop Maintenance	\$ 11,707 35,431 85,339 5,030
	\$ 137,507

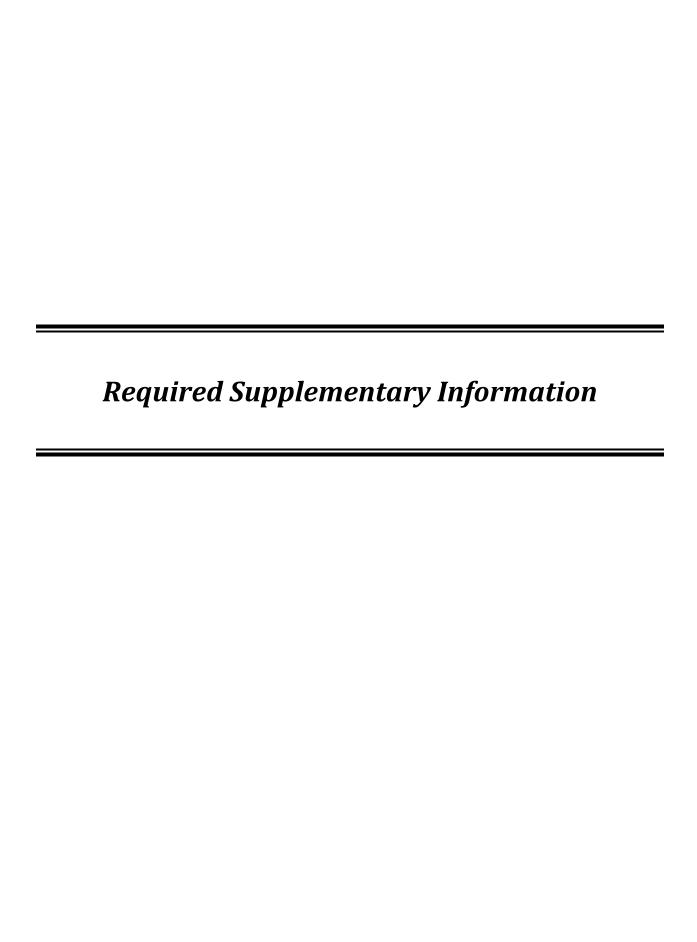
Notes to Financial Statements June 30, 2023 and 2022

NOTE 6 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2023, in the opinion of the County administration, there were no outstanding matters which would have a significant effect on the financial position of these financial statements.

NOTE 7 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 31, 2023, the date on which the financial statements were available to be issued.

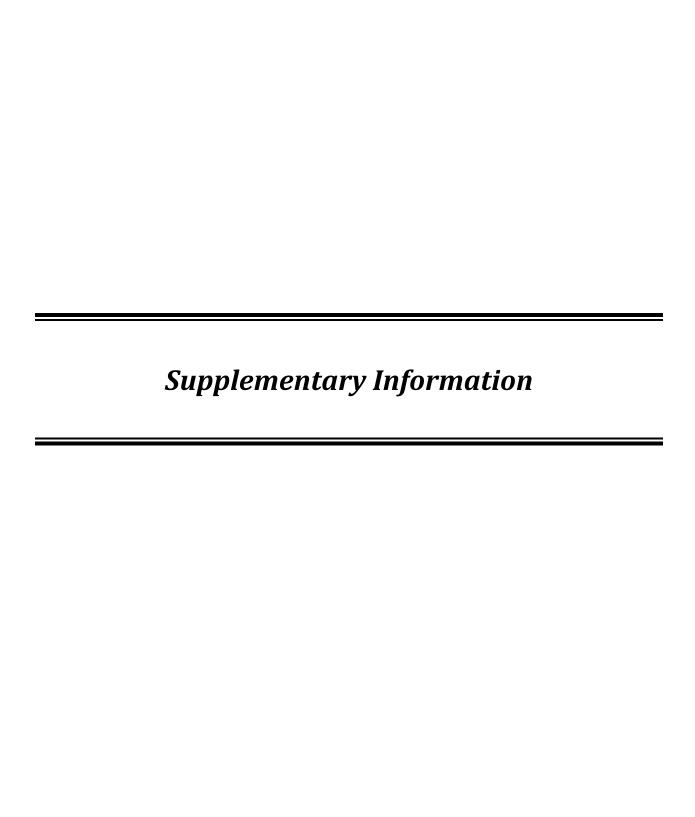


Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2023

	Final Budget			
REVENUES Local Transportation Funding allocation Interest earnings	\$ 1,075,387 -	\$ 997,597 16,280	\$ (77,790) 16,280	
Total revenues	1,075,387	1,013,877	(61,510)	
EXPENDITURES Operating Refunds	1,275,175 	1,032,152 47	243,023 (47)	
Total expenditures	1,275,175	1,032,199	242,976	
Change in fund balance	\$ (199,788)	(18,322)	\$ 181,466	
Fund balance: Beginning of year		435,063		
End of year		\$ 416,741		

Budgetary Comparison Schedule For Fiscal Year Ended June 30, 2022

	Final Budget	-			
REVENUES Local Transportation Funding allocation	\$ 617,457	\$ 617,456 3,093	\$ (1) 3,093		
Interest earnings Total revenues	617,457	620,549	3,092		
EXPENDITURES Operating Refunds	1,097,300	942,793 258,233	154,507 (258,233)		
Total expenditures Change in fund balance	1,097,300 \$ (479,843)	1,201,026 (580,477)	(103,726) \$ (100,634)		
Fund balance: Beginning of year End of year		1,015,540 \$ 435,063			



Schedules of Status of Funds by Project June 30, 2023 and 2022

Changes to project status for fiscal year ended June 30, 2023, were as follows:

Operating		eginning Balance	Fund Adjustm		Allocation Adjustments /Refunds		nterest arnings location expense)	Expenditures			Ending Balance	
Operating	¢	42.220	\$	150 120	.	11 707	¢.	550	\$	(202 (26)	φ.	1.004
Valley Express Thousand Oaks Dial-a-Ride	\$	42,220 97,410	3	150,130	\$	11,707 (49,875)	\$	553 1,227	3	(202,626) (28,855)	\$	1,984 19,907
East County Transit Alliance		35,617		-		(27,915)		257		(3,624)		4,335
Kanan Shuttle		12,675		454,340		35,431		2,681		(471,662)		33,465
Ojai Trolley		844		132,620		85,339		1,644		(210,000)		10,447
Bus Stop Maintenance		12,185		64,510		5,030		1,293		(13,272)		69,746
County Transit Services Management and Oversight		234,065		195,997		(59,717)		8,625		(102,113)		276,857
Total operating		435,016		997,597				16,280		(1,032,152)		416,741
Capital												
Upgrade Bus Stops and Shelters		47				(47)		-				
Total capital		47				(47)		_				
Total	\$	435,063	\$	997,597	\$	(47)	\$	16,280	\$	(1,032,152)	\$	416,741

Changes to project status for fiscal year ended June 30, 2022, were as follows:

	Beginning Balance		Local Transportation Fund Allocation		Allocation Adjustments /Refunds		Interest Earnings Allocation (Expense)		Expenditures		Ending Balance
OPERATING											
Valley Express	\$	98,162	\$	108,001	\$	-	\$	238	\$	(164,181)	\$ 42,220
Thousand Oaks Dial-a-Ride		284,431		-		(170,556)		807		(17,272)	97,410
East County Transit Alliance		73,190		-		(35,475)		210		(2,308)	35,617
Kanan Shuttle		297,929		134,074		-		834		(420,162)	12,675
Ojai Trolley		156,993		128,819		36,000		323		(321,291)	844
Bus Stop Maintenance		6,798		16,562		-		51		(11,226)	12,185
County Transit Services Management and Oversight		9,949		230,000			_	469		(6,353)	 234,065
Total operating		927,452		617,456		(170,031)		2,932		(942,793)	435,016
CAPITAL											
Upgrade Bus Stops and Shelters		63,199		-		(63,313)		161		-	47
Route 22 Bus Stops Local Match		14,390		-		(14,390)		-		-	-
Automatic AVA System - Kanan Shuttle		10,499		-		(10,499)	_			-	 -
Total capital		88,088				(88,202)	_	161			 47
Total	\$	1,015,540	\$	617,456	\$	(258,233)	\$	3,093	\$	(942,793)	\$ 435,063





INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

To the Honorable Board of Supervisors of the County of Ventura Ventura, 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 Transportation Development Act (TDA) Fund of the County of Ventura (County) which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, for the years then ended, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated December 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) relating to the TDA Fund as a basis for designing audit procedures 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 County's internal control relating to the TDA Fund. Accordingly, we do not express an opinion on the effectiveness of the County's internal control relating to the TDA Fund.

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 County'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the TDA Fund financial statements are free of material misstatement we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the TDA Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the TDA Fund. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California December 31, 2023

Nigro & Nigro, PC

GOLD COAST TRANSIT DISTRICT LOW CARBON TRANSIT OPERATIONS PROGRAM ACCOUNTS

FINANCIAL STATEMENTS

JUNE 30, 2023

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors Gold Coast Transit District Oxnard, California

Opinion

We have audited the accompanying financial statements of the Low Carbon Transit Operations Program (LCTOP) accounts of the Gold Coast Transit District (District), which comprise the statement of net position as of June 30, 2023, and the related statement of changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the LCTOP accounts of the District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the LCTOP accounts and does not purport to, and does not, present fairly the financial position of the District as of June 30, 2023, or the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the Unites States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control relating to the LCTOP accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LCTOP account's basic financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards and the Transportation Development Act. In accordance with Government Auditing Standards and the Transportation Development Act, we have also issued a separate report dated March 14, 2024 on our consideration of the District's internal control over the LCTOP accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and the Transportation Development Act in considering the District's internal control over the LCTOP accounts' financial reporting and compliance.

Murrieta, California March 14, 2024

Nigro & Nigro, PC

		2023		2022			
ASSETS							
Cash and investments - restricted Interest Receivable Due from other governmental agencies	\$		-	\$	35,221		
Total assets			_		35,221		
LIABILITIES							
Unearned revenue							
Total liabilities			_				
NET POSITION							
Unrestricted					35,221		
Total net position	\$			\$	35,221		

	2023		2022			
Revenues: Low carbon transit operations program Interest Income	\$	72,092 18	\$	333,837 39		
Total revenues		72,110		333,876		
Expenditures: Operations		107,331		372,884		
Total expenditures		107,331		372,884		
Change in net position		(35,221)		(39,008)		
Net position, beginning of fiscal year		35,221		74,229		
Net position, end of fiscal year	\$		\$	35,221		

		2023	2022		
Cash flows from operations: Cash paid for operations	\$		\$	(39,008)	
Net cash (used) by operating activities				(39,008)	
Cash flows from noncapital financing activities: Cash received from LCTOP Cash paid to other funds		72,092 (107,331)		333,837 (333,876)	
Net cash provided by noncapital financing activiti	<u> </u>	(35,239)		(39)	
Cash flows from investing activities: Cash received from interest received from investments		18		39_	
Net cash provided by investing activities		18_		39	
Net decrease in cash in County treasury		(35,221)		(39,008)	
Cash in County treasury: Beginning of year		35,221		74,229	
End of year				35,221	
Reconciliation of operating income/(loss) to net Operating income (loss) Changes in operating assets and liabilities:		(35,221)		(39,008)	
(Increase)/decrease in receivables		35,221		-	
Total adjustments		35,221		-	
Net cash (used) by operating activities	\$		\$	(39,008)	

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014. LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, will expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project required to reduce greenhouse gas emissions.

Senate Bill 862 continuously appropriates five percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund for LCTOP, beginning in fiscal year 2015-16. The Gold Coast Transit District (the District) requested and received funding for a project in the year ended June 30, 2016.

For agencies whose service area includes disadvantaged communities, at least 50 percent of the total money received shall be expended on projects that will benefit disadvantaged communities.

The financial statements present only the activity of the LCTOP accounts of the District and are not intended to present the financial position or changes in financial position of the District, in conformity with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GCTD accounts for the activity of the Greenhouse Gas Reduction Fund within its Enterprise Fund. Enterprise Funds are used to account for "business-type activities" similar to those found in the private sector.

C. Measurement Focus and Basis of Accounting

Enterprise Funds are accounted for using the accrual basis of accounting. The revenues are recognized in the accounting period when they are earned, and expenses are recognized in the accounting period in which the liability is incurred.

D Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the District. For the District, funds received under LCTOP possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under LCTOP are recognized in the period when all eligibility requirements have been met.

A deferred inflow of resources arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Deferred inflows of resources also arise when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet, and revenue is recognized.

E. Net Position

The components of net position reflect the component classifications described below.

- Net Investment in Capital Assets this includes capital assets net of depreciation reduced by the
 outstanding balances of bonds and notes, if any, that are attributable to the acquisition,
 construction, or improvement of those assets. Applicable deferred outflows of resources and
 deferred inflows of resources, if any, should also be included in this component of net position.
- Restricted this includes assets, mainly cash and investments, bound by constraints on resources
 that are externally imposed by creditors, grantors, contributors, or laws and regulations of other
 governments.
- Unrestricted this includes the remaining balance of the net amount of assets, deferred outflows
 of resources that are not included in the determination of net investment in capital, or the
 restricted components of net position.

It is the District's policy that restricted resources will be applied first, followed by unrestricted resources, in the absence of a formal policy adopted by Board of Directors.

F. Amounts Due from Other Governments

Generally, amounts due from other governments are recorded as revenues when received. However, when expenditures of funds are the prime factor for determining eligibility for grants, revenues are accrued when the expenditures have been made on approved grants.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Demand Deposits

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits.

California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

As of June 30, 2023, none of the District's deposits and investments were exposed to disclosable custodial credit risk.

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government 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

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices.

Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in Money Market Funds are valued using Level 2 inputs. The District's remaining investments are in the VCPIF, which is an external investment pool valued under Level 2. Please note that interest expense is negative as a result of a fair market value adjustment booked.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government 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

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. The County Treasury's pooled investment funds are unrated.

NOTE 3 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

GCTD is subject to the provisions pursuant to Section 6634 of the California Code of Regulations and Section 99268.3 of the Public Utilities Code.

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund Fund in an amount which exceeds the claimant's capital and operating costs loss the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city of county to which the operator has provided services beyond its boundaries.

During Fiscal Year 2022-23, the funds received from the Local Transportation Fund complied with the above provision.

B. Section 9926.3

Section 99268.3 indicates that an operator in Ventura County providing regular public transportation shall be eligible for TDA funds if it maintains for the fiscal year, ratio of fare revenues to operating costs at least equal to 20%.

The fixed route, paratransit, and total fare revenue ratio for the fiscal year ending June 30, 2023, was as follows:

	 2023
Farebox revenue	\$ 1,551,740
Route guarantee	
Local Route Guarantee - Fixed Route	3,569
LCTOP - FARE SUPPORT/ FREE FARE DAYS	473,762
LCTOP Support for Route 23	79,092
LCTOP Fare Support Program College Pass Program	368,513
Organization paid fares	558,352
Other revenue	782,721
Total farebox revenue before AB 149 - federal funds	3,817,749
AB 149 - federal funds *	1,490,216
Total farebox revenue	5,307,965
Operating expenses:	32,600,361
Less depreciation	(3,454,690)
Less Debt service expense	(911,818)
Less Route 23 service	(1,694,031)
Net adjusted operating expenses	26,539,822
Fare ratio	20.00%
Fare ratio without AB 149- Federal Funds	14.38%
Required fare ratio pursuant to PUC Section 99268.3	20.00%
Farebox revenue - Demand Response	
Farebox revenue	131,400
Organization paid fares	54,163
Total farebox revenue before AB 149 - federal funds	185,563
AB 149 - federal funds *	536,497
Total farebox revenue	722,060
Operating expenses:	3,709,634
Less depreciation	(99,339)
Net adjusted operating expenses	\$ 3,610,295
Fare ratio	20.00%
Fare ratio without AB 149-Federal funds	5.14%
Required fare ratio pursuant to PUC Section 99268.3	10.00%

^{*} Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating farebox recovery ratio through fiscal year 2022-23.

GOLD COAST TRANSIT DISTRICT LOW CARBON TRANSIT OPERATIONS PROGRAM ACCOUNTS Notes To Financial Statements June 30, 2023

NOTE 3 - STATUS OF OUTSTANDING PROJECTS

LCTOP funding received by the District was used for the Route 23 operations and Token Transit projects. Token Transit is a mobile application that allows riders to purchase and pay for transit services using their phone. As of June 30, 2023, LCTOP unexpended funds for Route 23 operations of \$35,221 were used during the fiscal year. There are no unexpended funds for Token Transit projects.

NOTE 4 - RESTRICTIONS, BUDGETARY CONTROL, AND CONTINGENCIES

Restrictions

Funds received pursuant to the LCTOP Program may only be used for operating and capital assistance towards transit activities.

Budgetary Control

The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for LCTOP activities. The budget and reporting treatment applied are consistent with the modified accrual basis of accounting and the financial statement basis.

Contingencies

There are no contingencies at this time.

NOTE 5 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 14, 2024, the date these financial statements were available to be issued.

GOLD COAST TRANSIT DISTRICT LOW CARBON TRANSIT OPERATIONS PROGRAM ACCOUNTS Supplemental Information June 30, 2023

SUPPLEMENTAL INFORMATION

Project	Program Year	Expenditure Date	All	State location eceived	Inte Acc	rrent ear erest rued istrict	Int	rior erest eived by strict	rent Year enditures	 or Year enditures	Net sition
LCTOP - FY 2019-20 Token Transit	FY'21	6/30/2022	\$	76,290	\$	-	\$	39	\$ 35,221	\$ 41,108	\$ -
LCTOP - FY 2021-22 Route 23 Operations	FY'23	6/30/2023	\$	72,092	\$	18			\$ 72,110		\$ -
		Total	\$	148,382	\$	18	\$	39	\$ 107,331	\$ 41,108	\$ -

GOLD COAST TRANSIT DISTRICT LOW CARBON TRANSIT OPERATIONS PROGRAM ACCOUNTS Budget vs Actuals June 30, 2023

	FY'23						FY'22							
	Final Budget	Actual		Variance Positive (Negative)		Final Budget			Actual	Variance Positive (Negative)				
REVENUES Low carbon transit operations program Interest income	\$ 72,092	\$	72,092 18	\$	- 18 -	\$	333,837	\$	333,837 39	\$	- 39 -			
Total revenues	 72,092		72,110		18		333,837		333,876		39			
EXPENDITURES Operating	72,092		107,331		35,239		333,837		372,884		39,047			
Total expenditures	72,092		107,331		35,239		333,837		372,884		39,047			
Change in fund balance	\$ _	\$	(35,221)	\$	(35,221)	\$	-	\$	(39,008)	\$	(39,008)			
Fund balance: Beginning of year		\$	35,221					\$	74,229					
End of year		\$						\$	35,221					



INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

Board of Directors 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 Low Carbon Transit Operations Program (LCTOP) accounts of the Gold Coast Transit District (District) as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 14, 2024.

Report on 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) relating to the LCTOP accounts as a basis for designing audit procedures 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 relating to the LCTOP accounts. Accordingly, we do not express an opinion on the effectiveness of the District's internal control relating to the LCTOP accounts.

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 District'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LCTOP accounts' financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the LCTOP accounts. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the LCTOP accounts. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California March 14. 2024

Nigro & Nigro, PC

GOLD COAST TRANSIT DISTRICT STATE OF GOOD REPAIR ACCOUNTS

FINANCIAL STATEMENTS

June 30, 2023

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors Gold Coast Transit District Oxnard, California

Opinion

We have audited the accompanying financial statements of the State of Good Repair (SGR) accounts of the Gold Coast Transit District (District), which comprise the statement of net position as of June 30, 2023, and the related statement of changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the SGR accounts of the District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the SGR accounts and does not purport to, and does not, present fairly the financial position of the District as of June 30, 2023, or the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the Unites States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control relating to the SGR accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the SGR account's basic financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards* and the Transportation Development Act. In accordance with *Government Auditing Standards* and the Transportation Development Act, we have also issued a separate report dated March 14, 2024 on our consideration of the District's internal control over the SGR accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the District's internal control over the SGR

Murrieta, California March 14, 2024

accounts' financial reporting and compliance.

Nigro & Nigro, PC

	 2023	2022				
ASSETS	_					
Cash and investments - restricted Due from other governmental	\$ -	\$	37,986			
agencies	 7,694		7,369			
Total assets	 7,694		45,355			
LIABILITIES						
Unearned revenue	 	_				
Total liabilities	 					
NET POSITION						
Unrestricted	 7,694		45,355			
Total net position	\$ 7,694	\$	45,355			

	;	2023	2022			
Revenues:						
State of good repair	\$	45,290	\$	43,820		
Interest Income		91	-			
Total revenues		45,381		43,820		
Expenditures:						
Capital acquisition and construction		83,042		43,839		
Total expenditures		83,042		43,839		
Change in net position		(37,661)		(19)		
Net position, beginning of fiscal year, as restated (Note 4)		45,355		45,374		
Net position, end of fiscal year	\$	7,694	\$	45,355		

	2023	2022
Cash flows from operating activities: Cash received from operating activities:	\$ (325)	\$ (19)
Net cash (used) by operating activities	(325)	(19)
Cash flows from noncapital financing activities: Cash received from local transportation fund, SGR Cash paid to other funds Net cash provided by noncapital financing activities	45,290 (83,042) (37,752)	43,820 (43,839) (19)
Cash flows from investing activities: Cash received from interest received from investments	91_	
Net cash provided by investing activities	91	
Net decrease in cash in County treasury	(37,986)	(38)
Cash in County treasury: Beginning of year	37,986	38,024
End of year		37,986
Reconciliation of operating income/(loss) to net cash used by operating activities: Operating income (loss) Changes in operating assets and liabilities:	(37,661)	(19)
(Increase)/decrease in interest receivable (Increase)/decrease due from other government agencies	37,336	
Total adjustments	37,336	
Net cash (used) by operating activities	\$ (325)	\$ (19)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statues of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. State of Good Repair (SGR) funding received by the Gold Coast Transit District (the District) for fiscal year ended June 30, 2023 was \$45,381 and was used for preventative maintenance, vehicle engine replacements, and the vehicle and camera replacement project.

The financial statements present only the activity of the SGR accounts of the District and are not intended to present the financial position or changes in financial position of the District in conformity with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GCTD accounts for the activity of the SGR Fund as a Special Revenue Fund. Special Revenue Funds are used to account for and report on a particular source of revenue.

C. Measurement Focus and Basis of Accounting

Special Revenue Funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 180 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

D. Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by GCTD. For GCTD, funds received under Section 99314 of the Public Utilities Code possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under Section 99314 of the Public Utilities Code are recognized in the period when all eligibility requirements have been met.

A deferred inflow of resources arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Deferred inflows of resources also arise when GCTD receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when GCTD has a legal claim to the resources, the liability for deferred inflow of resources is removed from the balance sheet, and revenue is recognized.

Notes To Financial Statements June 30, 2023

Fund Balance

The components of the fund balances of governmental funds reflect the component classifications described below.

- Nonspendable Fund Balance includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- Restricted Fund Balance includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- Committed Fund Balance includes amounts that can be used only for the specific purposes determined by a formal action of GCTD.
- Assigned Fund Balance includes amounts that are intended to be used by GCTD for specific purposes, but do not meet the criteria to be classified as restricted or committed.
- Unassigned Fund Balance includes any deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

E. Cash and Investments

Substantially all of the District's cash is invested in interest bearing cash accounts (money market funds). The District considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Amounts Due From Other Governments

Generally, amounts due from other governments are recorded as revenues when received. However, when expenditures of funds are the prime factor for determining eligibility for grants, revenues are accrued when the expenditures have been made on approved grants.

NOTE 2 - CASH AND INVESTMENTS

Demand Deposits

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly,

GOLD COAST TRANSIT DISTRICT STATE OF GOOD REPAIR ACCOUNTS

Notes To Financial Statements June 30, 2023

all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as a third-party custodian, provided that the custodian agreement is separate from the banking agreement. 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 investments pools.

As of June 30, 2023, none of the District's deposits and investments were exposed to disclosable custodial credit risk.

Fair Value

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government 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

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices.

NOTE 3 - RESTRICTIONS, BUDGETARY CONTROL, AND CONTINGENCIES

Restrictions

Funds received pursuant to State of Good Repairs and the Road Repair and Accountability Act of 2017 may only be used for preventative maintenance, vehicle engine replacements, and vehicle and camera replacement activities.

Budgetary Control

The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the State of Good Repair activities. The budget and reporting treatment are consistent with the modified accrual basis of accounting and the financial statement basis.

Contingencies

There are no contingencies at this time.

NOTE 4 - PRIOR YEAR ADJUSTENT

Beginning net position as of July 1,2021 was restated by \$37,986, from \$7,388 to \$45,374. The adjustment was to recognize unallocated funds from fiscal year ending June 30, 2021. Beginning net position as of July 1, 2022 was also restated from \$7,369 to \$45,355 as a result of the adjustment.

NOTE 5- SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 14, 2024, the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

	FY'23					FY'22							
	Final Budget Actual		P	ariance ositive egative)	_	Final Budget		Actual	Variance Positive (Negative)				
REVENUES													
State of Good Repairs Interest earnings	\$ 45,381 175	\$	45,290 91	\$	(91) (84)	(46,014	\$	43,820	\$	(2,194)		
Total revenues	 45,556		45,381		(175)	_	46,014		43,820		(2,194)		
EXPENDITURES Capital	45,381		83,042		37,661	_	45,381		43,839		(1,542)		
Total expenditures	45,381	_	83,042		37,661	_	45,381		43,839		(1,542)		
Change in fund balance	\$ 175	\$	(37,661)	\$	(37,836)		633	\$	(19)	\$	(652)		
Fund balance: Beginning of year		\$	45,355					\$	45,374				
End of year		\$	7,694					\$	45,355				

GOLD COAST TRANSIT DISTRICT STATE OF GOOD REPAIR ACCOUNTS

Schedule of Status of Funds by Project June 30, 2023

Project	Program Year	Expenditure Date	State location eceived	Curren Year Interes Accrue by Distri	t d	Prior Interest Received by District	rent Year enditures	or Year enditures	P	Net osition
Vehicle and Camera Replacement	2020-21	6/30/2021	\$ 45,374				\$ 1,535	\$ 43,839	\$	-
CNG Vehicles	2021-22	6/30/2022	\$ 43,820				43,820		\$	-
Vehicles - Fixed Route (Replacement)	2022-23	6/30/2023	\$ 45,290		91		37,687		\$	7,694
		Total	\$ 134 484	\$ 9	91	\$ -	\$ 83 042	\$ 43 839	\$	7 694



INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

Board of Directors 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 State of Good Repair (SGR) accounts of the Gold Coast Transit District (District) as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 14, 2024.

Report on 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) relating to the SGR accounts as a basis for designing audit procedures 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 relating to the SGR accounts. Accordingly, we do not express an opinion on the effectiveness of the District's internal control relating to the SGR accounts.

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 District'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the SGR accounts' financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the SGR accounts. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the SGR accounts. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California March 14, 2024

Nigro & Nigro, PC

GOLD COAST TRANSIT DISTRICT STATE TRANSIT ASSISTANCE ACCOUNTS FINANCIAL STATEMENTS JUNE 30, 2023

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors Gold Coast Transit District Oxnard, California

Opinion

We have audited the accompanying financial statements of the State Transit Assistance (STA) accounts of the Gold Coast Transit District (District), which comprise the statement of net position as of June 30, 2023, and the related statement of changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the STA accounts of the District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the STA accounts and does not purport to, and does not, present fairly the financial position of the District as of June 30, 2023, or the changes in its financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the Unites States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control relating to the STA accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the STA account's basic financial statements. The Schedule of Status of Funds by Project is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards and the Transportation Development Act. In accordance with Government Auditing Standards and the Transportation Development Act, we have also issued a separate report dated March 14, 2024 on our consideration of the District's internal control over the STA accounts' financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and the Transportation Development Act in considering the District's internal control over the STA accounts' financial reporting and compliance.

Murrieta, California March 14, 2024

Nigro & Nigro, PC

	 2023	2022			
ASSETS Cash in County treasury Interest receivable	\$ - -	\$	214 19		
Due from other governmental agencies	 73,270		59,738		
Total assets	 73,270		59,971		
LIABILITIES					
Unearned revenue	<u>-</u>				
Total liabilities	 				
NET POSITION					
Unrestricted	 73,270		59,971		
Total net position	\$ 73,270	\$	59,971		

	 2023	2022			
REVENUES					
State transit assistance	\$ 374,875	\$	300,300		
Interest	 822 *	-	233		
Total revenues	 375,697		300,533		
EXPENDITURES					
Operations	 362,398		244,646		
Total expenditures	 362,398		244,646		
Change in net position	13,299		55,887		
FUND BALANCE					
Net position, beginning of fiscal year	 59,971		4,084		
Net position, end of fiscal year	\$ 73,270	\$	59,971		

^{*}Interest Expense is from VCTC

	2023		2022	
Cash flows from operating activities: Cash paid for operating costs, net of support	\$	0	\$	(492)
Net cash (used) by operating activities		0		(492)
Cash flows from noncapital financing activities: Cash received from local transportation fund, STA Cash paid to other funds Net cash used by noncapital financing activities		374,875 (375,911) (1,036)		243,895 (245,138) (1,243)
Cash flows from investing activities: Cash received from interest received from investments Net cash provided by investing activities		822 822		259 259
Net decrease in cash in County treasury		(214)		(492)
Cash in County treasury: Beginning of year End of year	_	214		706 214
Reconciliation of operating income to net cash (used) by operating activities Operating income (loss) Changes in operating assets and liabilities: (Increase)/decrease in interest receivables (Increase)/decrease due from other government agencies	es:	13,299 19 (13,318)		55,887 26 (56,405)
Total adjustments		(13,299)		(56,379)
Net cash (used) by operating activities	\$	0	\$	(492)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

State Transit Assistance (STA) funding comes from the Public Transportation Act (PTA) which derives its revenue from the state sales tax on gasoline. These funds are designated as discretionary or formula. The former is appropriated by the legislature. The latter is a formula based upon population and fares generated. The Gold Coast Transit District (the District) utilizes STA funding to fund a combination of operations and capital asset purchases. The STA funding was utilized by the District for operations in the current year.

The financial statements present only the activity of the STA accounts and are not intended to present the financial position or changes in financial position of the District, in conformity with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and net position segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District accounts for the activity of the STA Fund as an Enterprise Fund. Enterprise Funds are used to account for "business-type activities" similar to those found in the private sector.

C. Measurement Focus and Basis of Accounting

Enterprise Funds are accounted for using the accrual basis of accounting. The revenues are recognized in the accounting period when they are earned, and expenses are recognized in the accounting period in which the liability is incurred.

D. Cash and Investments

Substantially all of the District's cash is invested in interest bearing cash accounts (money market funds). The District considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Amounts Due From Other Governments

Generally, amounts due from other governments are recorded as revenues when received. However, when expenditures of funds are the prime factor for determining eligibility for grants, revenues are accrued when the expenditures have been made on approved grants.

G. Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the District.

For the District, funds received under STA possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under STA are recognized in the period when all eligibility requirements have been met.

A deferred inflow of resources arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Deferred inflows of resources also arise when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet, and revenue is recognized.

H. Net Position

The components of net position reflect the component classifications described below.

- Net Investment in Capital Assets this includes capital assets net of depreciation reduced by the outstanding balances of bonds and notes, if any, that are attributable to the acquisition, construction, or improvement of those assets. Applicable deferred outflows of resources and deferred inflows of resources, if any, should also be included in this component of net position.
- Restricted this includes assets, mainly cash and investments, bound by constraints on resources that are externally imposed by creditors, grantors, contributors, or laws and regulations of other governments.
- Unrestricted this includes the remaining balance of the net amount of assets, deferred outflows of resources that are not included in the determination of net investment in capital, or the restricted components of net position.

It is the District's policy that restricted resources will be applied first, followed by unrestricted resources, in the absence of a formal policy adopted by Board of Directors.

Generally, amounts due from other governments are recorded as revenues when received. However, when expenditures of funds are the prime factor for determining eligibility for grants, revenues are accrued when the expenditures have been made on approved grants.

NOTE 2 - CASH AND INVESTMENTS

Demand Deposits

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as a third-party custodian, provided that the custodian agreement is separate from the banking agreement. 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 investments pools.

As of June 30, 2023, none of the District's deposits and investments were exposed to disclosable custodial credit risk.

Fair Value

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government 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

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices.

NOTE 3 - TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

GCTD is subject to the provisions pursuant to Section 6634 of the California Code of Regulations and Section 99268.3 of the Public Utilities Code.

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city of county to which the operator has provided services beyond its boundaries.

During Fiscal Year 2023-22, the funds received from the State Transit Assistance Fund complied with the above provision.

B. Section 99268.3

Section 99268.3 indicates that an operator in Ventura County providing regular public transportation shall be eligible for TDA funds if it maintains for the fiscal year, ratio of fare revenues to operating costs at least equal to 20%.

The fixed route, paratransit, and total fare revenue ratio for the fiscal year ending June 30, 2023, was as follows:

* Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating farebox recovery ratio through fiscal year 2022-23.

A. Section 99266.3

Section 99268.3 indicates that an operator in Ventura County providing regular public transportation shall be eligible for TDA funds if it maintains for the fiscal year, ratio of fare revenues to operating costs at least equal to 20%.

The fixed route, paratransit, and total fare revenue ratio for the fiscal year ending June 30, 2023, was as follows:

was as follows.	2023
Farebox revenue Route guarantee	\$ 1,551,740
Local Route Guarantee - Fixed Route	3,569
LCTOP - FARE SUPPORT/ FREE FARE DAYS	473,762
LCTOP Support for Route 23	79,092
LCTOP Fare Support Program College Pass Program	368,513
Organization paid fares	558,352
Other revenue	782,721
Total farebox revenue before AB 149 - federal funds	3,817,749
AB 149 - federal funds *	1,490,216
Total farebox revenue	5,307,965
Operating expenses:	32,600,361
Less depreciation	(3,454,690)
Less Debt service expense	(911,818)
Less Route 23 service	(1,694,031)
Net adjusted operating expenses	26,539,822
Fare ratio	20.00%
Fare ratio without AB 149- Federal Funds	<u>14.38%</u>
Required fare ratio pursuant to PUC Section 99268.3	20.00%

Farebox revenue - Demand Response Farebox revenue Organization paid fares	131,400 54,163
Total farebox revenue before AB 149 - federal funds	185,563
AB 149 - federal funds *	536,497
Total farebox revenue	722,060
Operating expenses: Less depreciation	3,709,634 (99,339)
Net adjusted operating expenses	\$ 3,610,295
Fare ratio Fare ratio without AB 149-Federal funds	20.00% 5.14%
Required fare ratio pursuant to PUC Section 99268.3	<u>10.00%</u>

^{*} Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating farebox recovery ratio through fiscal year 2022-23.

GOLD COAST TRANSIT DISTRICT STATE TRANSIT ASSISTANCE ACCOUNTS Notes To Financial Statements June 30, 2023

NOTE 4- RESTRICTIONS, BUDGETARY CONTROL, AND CONTINGENCIES

Restrictions

Funds received pursuant to the Public Transportation Act (PTA) may only be used for operations and capital asset purchases.

Budgetary Control

The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for STA activities. The budget and reporting treatment applied are consistent with the modified accrual basis of accounting and the financial statement basis.

Contingencies

There are no contingencies at this time.

NOTE 5- SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 14, 2024, the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

	Program Year	Expenditure Date	State llocation eceived	Int Acc	rrent 'ear erest crued District	Inte	rior erest eived by strict	rent Year enditures	 rior Year enditures	P	Net osition
Transit Operations	2021-22	6/30/2022	\$ 300,300			\$	233	\$ 59,971	\$ 240,562	\$	-
Transit Operations	2022-23	5/30/2023	\$ 374,875	\$	822			\$ 302,427		\$	73,270
		Total	\$ 675,175	\$	822	\$	233	\$ 362,398	\$ 240,562	\$	73,270

		FY'23					FY'22		
	Final Budget	Actual	P	ariance ositive egative)		Final Budget	Actual	P	ariance ositive egative)
REVENUES									
State Transit Assistance Interest earnings	\$ 359,557 -	\$ 374,875 822	\$	15,318 822	\$	300,300 0	\$ 300,300 233	\$	233
Total revenues	 359,557	 375,697		16,140		300,300	 300,533		233
EXPENDITURES Operating	360,307	 362,398		2,091		360,307	 244,646		(115,661)
Total expenditures	360,307	 362,398		2,091		360,307	 244,646		(115,661)
Change in fund balance	\$ (750)	\$ 13,299	\$	14,049	\$	(60,007)	\$ 55,887	\$	115,894
Fund balance: Beginning of year		59,971					 4,084		
End of year		73,270					59,971		



INDEPENDENT AUDITORS' 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 AND THE TRANSPORTATION DEVELOPMENT ACT

Board of Directors 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 State Transit Assistance (STA) accounts of the Gold Coast Transit District (District) as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 14, 2024.

Report on 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) relating to the STA accounts as a basis for designing audit procedures 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 relating to the STA accounts. Accordingly, we do not express an opinion on the effectiveness of the District's internal control relating to the STA accounts.

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 District'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the STA accounts' financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6667 of Title 21, of the California Code of regulations, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

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 District's internal control or on compliance relating to the STA accounts. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance relating to the STA accounts. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California March 14. 2024

Nigro & Nigro, PC



April 3, 2024 Item #5

TO GCTD Board of Directors

FROM Tanya Hawk, Inventory and Assets Management Coordinator

SUBJECT Report of Contracts Awarded

SUMMARY

As requested by the Board of Directors on December 2, 2020, and in accordance with the GCTD Purchasing Resolution, staff is to provide a monthly report of all purchases issued by this agency. The attached report lists all purchase orders awarded since the March 2024 Board meeting.

RECOMMENDATION

It is recommended that the Board of Directors receive and file this report.

GENERAL MANAGER'S CONCURRENCE

Vanessa Rauschenberger

General Manager

Contracts/PO Awarded Report March 2024

PO#	Item Description	Vendor Name	City	Cost
PURCHASI	NG			
A0010334	WASABI 25tb 12 MONTHS, VEEAM DATA PLATFORM ESSENTIALS UNIVERSAL AND VEEAM BACKUP FOR MICROSOFT 365 RENEWAL	SHI INTERNATIONAL CORP.	DALLAS	\$4,724.60
C0000010	OPTION YEAR 1 FOR TIRE MAINTENANCE AND SERVICE	DANIELS TIRE SERVICE	OXNARD	\$71,775.00
PARTS				
M0050527	OIL GAUGE TUBE (LONG)	CUMMINS PACIFIC LLC	LOS ANGELES	\$346.30
M0050528	MOTOR, ELECTRIC 12V, C/S MIRROR, GAUGE, FLUID LEVEL, ELBOW, 90 (TRANSCOOLER), HOSE, HUMP 2.5" I.D., SENSOR, ABS, GLASS, FLAT, STATIC STRAPS, MECHANISM ASM, W/C RAMP, STRAP, RAMP PULL UP, SWITCH, SENSITIVE EDGE, BOLT HUB, SWITCH, DPDT, ON/OFF/ON, GLASS, BOTTOM COVEX, BATTERY DOOR-LATCH PULL LOCK, HOSE HUMP	THE AFTERMARKET PARTS COMPANY, LLC	MINNEAPOLIS	\$6,527.44
M0050529	BATTERY - INTERSTATE & CA BATTERY FEE	INTERSTATE BATTERIES	VENTURA	\$558.45
M0050530	SET, MAIN BEARING	THE AFTERMARKET PARTS COMPANY, LLC	MINNEAPOLIS	\$217.82
M0050531	Q-57580-13 SECURE LOOP YELLOW, 11", Q- 57580-14 SSECURE LOOP YELLOW, 13" & Q-57580- 15 SECURE LOOP YELLOW, 15 "		BLUFFTON	\$1,875.06

Contracts/PO Awarded Report March 2024

M0050532	GEN SET-PARTS, GEN SET- LABOR & TRAVEL TIME	CUMMINS PACIFIC LLC	LOS ANGELES	\$6,776.82
M0050533	FILTER, HYDRAULIC, VALVE, 12VDS, HOSE, HUMP, GLASS, MANUAL DOOR RELEASE, TOUCH TAPE, INLET CHECK VALVE KIT, AIR DRYER PURGE VALVE MAINT. KIT & HINGE, PIN	GILLIG LLC	LOS ANGELES	\$3,485.86
M0050534	VALVOLINE PREMIUM BLUE 9200 15W-40, STATE RECYCLE FEE & REG COMP FEE	GREG'S PETROLEUM SERVICE, INC	DELANO	\$956.22
M0050535	CORE, COOLER, SCREW, STUDDED FLANGE CAP & PCV MOLDED HOSE	CUMMINS PACIFIC LLC	LOS ANGELES	\$1,942.62
M0050538	SEAT BOTTOM KIT/CUSH ASM/G2 & GAUGE, OIL PRESSURE, & 0-100 PSI	GILLIG LLC	LOS ANGELES	\$2,260.51
M0050539	COIL IGNITION 3500-16	LOS ANGELES TRUCK CENTERS, LLC	PASADENA	\$1,879.01
M0050540	ECU, 0-90, TRANSDUCER, PRESSURE-FUEL, LAMP, BLACK STEPWELL INT.	GILLIG LLC	LOS ANGELES	\$1,815.14
M0050541	CHEMISTRY FEE, RECOVERY FEE, 10G PARTS WASHER SVC- AQUEOUS, GASTEC AQUEOUS PW SAMPLE TUBE, 30G PARTS WASHER(LG)-AQUEOUS, 30G PARTS WASHER(LG)- AQUEOUS & 30G PARTS WASHER(LG)-AQUEOUS	SAFETY-KLEEN SYSTEMS, INC.	DALLAS	\$995.09

Contracts/PO Awarded Report March 2024

M0050542	SENSOR, OXYGEN,O-RING, ACTUATOR,O-RING, AIR FUEL MIXER,HOSE, EGR WATER PLUMBING, 90,GASKET, REAR COVER, COVER, REAR, SPARK PLUG, AIR COMPRESSOR FLEXIBLE HOSE,FRONT, ACTUATOR, THROTTLE, HARNESS, ENGINE, CRANKSEAL, REAR	CUMMINS PACIFIC LLC	LOS ANGELES	\$4,471.73
M0050543	FILTER, COOLANTO- RING, FLYWHEEL HOUSING	LOS ANGELES TRUCK CENTERS, LLC	PASADENA	\$264.59
M0050545	AIR FILTER, 2013 TOYOTA TUNDRA	VENTURA COUNTY AUTO SUPPLY	OXNARD	\$295.03
M0050547	STARTER, 39MT, 24V 12T & ALTERNATOR, OIL COOLED-NEW	ROMAINE ELECTRIC CORPORATION	KENT	\$1,888.28
M0050548	SOLENOID, EXIT DOOR & SEAT BELT ASM, LAP 2-PT BLACK	THE AFTERMARKET PARTS COMPANY, LLC	MINNEAPOLIS	\$983.87

Purchasing Total \$76,499.60 Parts Total \$37,539.84

Local (Ventura County) \$72,628.48



Date: April 3, 2024 Item #6

To: Board of Directors

From: Vanessa Rauschenberger, General Manager

Subject: General Manager's Monthly Report

Welcome Our New Fleet Manager

Please join me in welcoming **Lorne Henderson**, our new Fleet Manager. A graduate of the Universal Technical Institute, Lorne has extensive experience in heavy-duty power systems, fixed-route bus fleets, and para-transit fleets. His expertise in fleet maintenance operations, including heavy-duty engines and Allison power systems, will be invaluable in improving the fleet's performance. Starting on March 11, 2024, Lorne is eager to meet everyone and better understand the operation at GCTD. He encourages everyone to introduce themselves and share their insights with him.



Transit Employee Appreciation & Quarterly Safety Awards

On March 21, 2024, GCTD, we celebrated Transit Employee Appreciation Day with lunch and our quarterly safety awards in appreciation of our employees who keep our transit system moving.



Employee Performance Management Training

On March 19, GCTD held a Zoom meeting with administrative and Supervisor employees to implement the new Performance Management Policy to foster a high-performance culture and meet its Mission, Vision, and Strategic Goals. The policy includes clear job performance expectations, ongoing feedback, coaching, professional development goals, and recognition. The performance management review process helps employees understand their role requirements and helps evaluate salary ranges, merit increases, and career advancement opportunities.

Collaborative Meetings & Outreach Activities

GCTD's expert staff from various departments actively coordinate and participate in multiple meetings to support GCTD's mission. This month, our outreach focused on our fare adjustment survey and educational efforts.



General Manager Activities & Meetings Attended

- March 1 VCTC Meeting
- March 4 Meet/ Confer with SEIU
- March 7 Meeting VCTC Executive Director
- March 11 Meeting City of Ojai Public Works Staff
- March 13 Test Ride Electric Cutaway
- March 13 Meeting with Maintenance Staff Meeting
- March 16 Saturday Coffee with the GM
- March 19 Employee Performance Management Training
- March 21 Transit Employee Appreciation Day & Quarterly Safety
- March 25 Participate in Quarterly Supervisors Meeting
- March 26 Attend CTA Small Operators Meeting
- March 28 APTA Strategic Plan Listening Session

Keep up with us on the GO

"Like Us" and Follow Us on Facebook, Twitter, and Instagram, "Like Us" on Facebook @GCTransit - "Follow Us" on Twitter @GoldCoastBus - or "Follow Us" on Instagram @GoldCoastTransit. Sign up online for GCTD's monthly "News on the GO" Newsletter. **We're on Tik Tok!** @goldcoasttransitbus

GCTD Is Hiring!

GCTD has job openings in multiple departments. For a complete list of current job openings, visit https://www.gctd.org/careers/



OUR MISSION

Our mission is serving, moving, and connecting people to opportunity —one ride at a time.



OUR VISION

Our vision is to revolutionize transportation in Ventura County by leading initiatives that improve the rider experience, achieve clean air, and drive economic vitality.

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Item #7

Date: April 3, 2024

To: Board of Directors

From: Christine Feng, CFO/Assistant General Manager

Subject: Consider Approval of GCTD Travel Reimbursement Policy

EXECTIVE SUMMARY

We have undertaken a comprehensive review of our Employee/Board Member travel policy based on government standards. This item provides employees and board members with updated process for travel reimbursements, including transitioning from a receipt reimbursement model to a per diem-based system.

Our current travel policy relies on employees submitting receipts for expenses incurred during business trips. While this approach offers flexibility, it often leads to administrative burdens, delays in reimbursement, and inconsistencies in expense reporting. Recognizing these challenges, we aim to streamline our processes and provide greater clarity and efficiency for employees.

Proposed Changes:

<u>Per Diem-Based Reimbursement</u>: The revised travel policy proposes a shift to a per diembased reimbursement system. Under this model, employees will receive a fixed maximum daily allowance to cover meals, and incidental expenses while on business travel. Per diem rates will be based on the destination's cost of living and established IRS standards, providing clarity and predictability for employees. Meals provided by event sponsors will be excluded from per diem calculations.

General Manager Pre-Approval: To ensure compliance with GCTD policies and budgetary constraints, all travel expenses must be pre-approved by the General Manager or management designee before the trip commences. This approval process will enhance oversight and control over travel expenditures, mitigating the risk of unauthorized expenses.

<u>Deadline for Submitting Expenses</u>: Employees will be required to submit their travel expenses for reimbursement within a 30-day timeframe following the conclusion of their trip. By implementing clear submission deadlines, we can expedite the reimbursement process and minimize delays in processing payments.

Key Benefits:

<u>Efficiency and Transparency</u>: Per diem-based reimbursement simplifies the expense reporting process, reducing administrative burdens and providing clear guidelines for employees.

GOLD COAST TRANSIT DISTRICT

April 3, 2024 Travel Reimbursement Policy Page 2 of 2

<u>Cost Control</u>: Requiring pre-approval for travel ensures that travel expenses align with GCTD policies and budgetary constraints, enhancing accountability and minimizing the risk of overspending.

<u>Timeliness</u>: Setting deadlines for expense submission accelerates the reimbursement process, enabling employees to receive timely payments and reducing financial strain.

RECOMMENDATION

Transitioning to a per diem-based travel policy meets a goal to enhance efficiency, and fiscal responsibility within our organization. By simplifying processes and providing clear guidelines, we aim to support our employees and/Board members in their business endeavors while ensuring prudent management of GCTD resources.

IT IS RECOMMENDED that the Board Approved GCTD's Travel Reimbursement Policy.

General Manager's Concurrence

Vanessa Rauschenberger

	Gold Coast Transit Di Policy / Procedure	DOCUMENT CONTROL NUMBER 001-2024-04-03 CATEGORY PAGE Administration 1 OF 4		
GOLD COAST TRANSIT	Travel Reimbu	rsement Policy	REVISED DATE 04/03/2024	1 0 7 4
PREPARED / REVIEWED BY:	DIRECTOR APPROVAL:	GM APPROVAL:	APPLICABLE TO:	
Christine Feng			GCTD Employees	

I. PURPOSE

The purpose of the Gold Coast Transit District ("GCTD") Travel Policy is to facilitate travel of Employees/Board Members by the most expedient means and at the most reasonable cost.

II. BASIC POLICY

With prior approval of the General Manager, GCTD will pay all or a prearranged portion of reimbursable expenses for travel to attend business related meetings for one or more of the following purposes:

- a) To represent the organization on official business;
- b) To participate in a national or regional committee meeting;
- c) To participate in professional development or training activities; or
- d) To conduct official agency business and/or meet agency obligations.

Reimbursement for travel outside the USA will be made at the appropriate US currency rate of exchange.

III. AUTHORIZATION OF TRAVEL

Employees - It is beneficial for employees to participate in transit-related association activities, trainings and professional development activities. For staff to obtain authorization for travel for which reimbursement is expected, a request signed by the appropriate management personnel must be submitted to and approved by the General Manager.

Board Members – Board members are encouraged to attend transit-related development and educational opportunities. For travel reimbursement for GCTD Board Directors, the Director must submit a request signed and approved by the GCTD Board Chair, except in the case of a travel reimbursement request by the Board Chair, which must be signed and approved by the GCTD Vice Chair. GCTD administrative staff will make all travel arrangements. The traveler may also choose to make his/her own travel arrangements. Board Members may attend meeting and conferences of organizations listed below.

- American Public Transportation Association (APTA)
- California Transportation Association (CTA)
- California Association of Coordinated Transportation (Cal Act)

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IV. PREPAYMENT OF EXPENSES

Prepayment of common carrier transportation or registration fees must be approved by the appropriate supervisory personnel (for staff), the Board Chair (for Board Directors), or the Vice Chair (for Board Chair). If a check is to be issued, an approved check request must be submitted to the Accounts Payable department for processing. If the items are to be processed by the use of the corporate credit cards, these charges must all be processed by the Clerk of the Board or Procurement Manager (the holders of GCTD's credit cards). GCTD administrative staff will make all travel arrangements that are to be prepaid by the District.

V. ALLOWABLE TRANSPORTATION

Common Carrier

- a) Reimbursement for travel by air, rail, bus, or other common carrier shall not exceed the cost of coach fare or the economy rate in the chosen method of travel.
- b) The traveler shall be personally liable for any charges assessed due to his/her failure to cancel reservations within the time limit specified by carriers, unless failure is due to circumstances beyond his/her control, as determined by the appropriate supervisor (for staff), the Board Chair (for Board Directors), or the Vice Chair (for Board Chair). Costs for family member travel are not reimbursable.
- c) Expenses claimed under this section must be supported by original receipt.

Public Transportation

a) Employees are encouraged to utilize public transportation, bus, rail, etc. as an economical option where possible. Reimbursement for public transit fares, tickets and fees associated with public and shared transportation are reimbursable.

Personal Automobile Mileage

- a) A traveler may be reimbursed for the use of a privately owned automobile at the federal government rate then in effect. Mileage will be reimbursed at the current IRS approved rate. This rate can be found on the www.irs.gov web site.
- b) Reimbursement for use of a privately owned automobile shall not exceed the round trip coach fare of all persons traveling in the car.
- c) Mileage is payable to only one of two or more persons traveling on the same trip in the same vehicle.

Rented Automobile

- a) With prior approval by the appropriate supervisor (for staff), the Board Chair (for Board Directors), or the Vice Chair (for Board Chair), the traveler may be reimbursed for the rental of an automobile used for official business and for gasoline purchased for the rental automobile. Original receipts must be submitted.
- b) The traveler must read and comply with the rental agreement's provisions covering driver eligibility, use of seat belts, and other restrictions.
- c) Reimbursement for the rented automobile shall not exceed the round-trip coach air fare for all persons traveling in the car.

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	Administration	GCTD Travel Policy

Other Transportation Expenses

- a) Reimbursement may be claimed for parking charges, ferry, and taxi fares, uber/lyft, bike/scooter share, and bridge, highway and tunnel tolls, all as reasonably associated with the GCTD purpose for such travel.
- b) Each item of expense claimed under this section must be listed on the Travel Expense Report.
- c) An original receipt is required for each item to be reimbursed.

VI. ALLOWABLE LODGING EXPENSES

The traveler will be reimbursed for the actual reasonable expenses for lodging in a hotel or motel. Reimbursement is for standard room and applicable taxes only. Lodging expense for attending a conference shall not exceed the maximum group rate published by the conference or activity sponsor. If the group rate is not available, reimbursement shall be provided for reasonably comparable lodging. Reasonableness is determined by the appropriate supervisor (for staff), the Board Chair (for Board Directors), or the Vice Chair (for Board Chair).

Original itemized receipts are required to support the reimbursement claim for the expenses of lodging. Costs of tips, in-room movies, snacks, beverages, or other in-room items or services, room service (dining) is not reimbursable. While an employee may allow a traveling companion or family member to stay in their room, additional rooms or room upgrades to accommodate the traveler's family are not reimbursable. If GCTD prepays reimbursable lodging expenses, arrangements will be made by GCTD administration staff as outlined in IV.

VII. MEALS AND INCIDENTAL EXPENSES

Staff and the Board of Directors will be reimbursed for meals and incidental expenses according to the Federal Standard Meal Allowance (FSMA) then in effect. Receipts are not required. **Current FSMA rates are published in Publication 1542**, **Per Diem Rates**. Allowable reimbursements vary by city. In the event the city visited is not listed, the metropolitan area closest to the site will be used as a basis for per diem calculation. Chief Financial Officer & Assistant General Manager (or designee) will determine rate for traveler based on the IRS updated publication 1542.

<u>Generally</u>, there will be no reimbursement for meals unless the traveler is <u>away from home overnight</u>. If a meal is provided as part of a conference or event, it must be deducted from the per diem rate for the date. Alcohol consumed, including alcohol consumed with meals, including taxes and tips related to alcohol are NOT reimbursable.

VIII. REGISTRATION FEES & MISCELLANEOUS EXPENSES

Employees/Board Members should submit requests for travel with sufficient time to take advantage of any discounted for early registration. Registration will be paid prior to travel by GCTD credit card. Expenses incurred for conference registration fees, storage of baggage, fax or telephone calls for official business, and rental of equipment of temporary meeting facilities necessary for the conduct of official business may be reimbursed. Registration fees paid by GCTD and Miscellaneous expenses not paid by GCTD must be

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itemized separately on the Travel Expense Report. Original receipts must be submitted for all miscellaneous expenses.

IX. REPORTING AND DOCUMENTATION OF EXPENSES

All requests for reimbursement of travel should be made on the Travel Expense Report. If additional space is required, a supplementary schedule may be attached. The Travel Expenses Report must be submitted after completion of travel unless prepayments of expenses by GCTD are the only expenses incurred.

The Travel Expense Report should be completed and filed with the appropriate supervisor (for staff), Board Chair (for Board Directors), or Vice Chair (for Board Chair) within 30 days of the travel completion date. The Travel Expenses Report must be signed by the traveler and the expenses approved by the appropriate supervisory personnel (for staff), Board Chair (for Board Directors), or the Vice Chair (for Board Chair). (Approvals received prior to the trip are intended only to authorize the travel.)

The approved Travel Expense Report is then forwarded to Accounts Payable. If a receipt is lost, the traveler must provide a written statement indicating such. This statement must be signed by the traveler and appropriate supervisory personnel (for staff), Board Chair (for Board Directors), or the Vice Chair (for Board Chair).

If the traveler received a travel advance, original receipts must be submitted and remaining funds returned to the GCTD <u>within 30 days</u> of the travel completion date. If funds are not returned within a reasonable time, the full amount of the travel advance will be taxed to the traveler and included on his/her W-2. Funds provided under section VII and given in accordance with the Federal Standards of Meal Allowance are not subject to this provision.

X. EXPENSES FOR REASONABLE ACCOMMODATIONS FOR STAFF AND BOARD OF DIRECTORS WITH DISABILITIES

Notwithstanding anything to the contrary herein, a traveler who has a disability, as defined under state or federal law, shall be reimbursed for expenses incurred for reasonable accommodation(s) to enable the traveler to perform the traveler's essential job or Board duties during travel, except to the extent that the accommodation(s) would impose an undue hardship on GCTD. Expenses claimed under this section must be supported by an original receipt. If a disabled traveler's reasonable accommodation includes a traveling assistant, such traveling assistant's lodging, meal and miscellaneous expenses shall be reimbursed consistent with the provisions herein for the reimbursement of GCTD staff and Board Directors.



Item #8

Date: April 3, 2024

To: Board of Directors

From: Christine Feng, CFO / Assistant General Manager

Subject: Consider Adoption of Resolution 2024-03 Authorizing the Update of

GCTD's Investment Policy

EXECTIVE SUMMARY

On May 3, 2017 the Board approved Resolution 2017-07 adopting the GCTD Investment Policy. The Investment Policy includes a provision by which staff will bring the policy back to the board on an annual basis to review and/or modify. The Board last reviewed this policy in May of 2019.

For this item it is recommended that the Board of Directors Consider Adoption of Resolution 2024-03 Authorizing the Update of GCTD's Investment Policy.

GCTD's Investment Policy (redline version) showing recommended updates is attached.

BACKGROUND

California Government Code Section amended 53601(o) (SB 882) outlines the parameters and requirements for the investment of public funds by local agencies. It aims to safeguard public funds while maximizing returns within acceptable risk parameters. In response to these regulatory changes, we have undertaken a thorough assessment of our investment practices to ensure adherence to the updated legislation.

Compliance with SB 882: The revised investment policy is designed to align with the provisions outlined in California Government Code Section amended 53601(O), including permissible investments, diversification requirements, and risk management guidelines.

Proposed Updates

Updates "Director of Finance" to "Chief Financial Officer/Assistant General Manager" to reflect updated organizational structure and job titles.

Enhanced Diversification: To mitigate risk and optimize returns, the updated policy emphasizes the importance of diversification across various asset classes, including fixed income securities, equities, money market instruments, and other approved investment vehicles.

April 3, 2024 Investment Policy revision Page 2 of 2

Key Benefits

Compliance and Legal Adherence: By aligning our investment policy with California Government Code Section 53601 (SB 882), we demonstrate our commitment to regulatory compliance and responsible stewardship of public funds.

Optimized Returns: The updated policy promotes a diversified investment approach, allowing us to capture potential returns while managing risk effectively.

RECOMMENDATION

For this item it is recommended that the Board of Directors Consider Adoption of Resolution 2024-03 Authorizing the Update of GCTD's Investment Policy.

GCTD's Investment Policy (redline version) showing recommended updates is attached.

General Manager's Concurrence

Vanessa Rauschenberger

1. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy, and to organize and formalize investment-related activities.

The investment policies and practices of Gold Coast Transit District (GCTD) are based upon state law and prudent money management. All funds will be invested in accordance with the GCTD Investment Policy and the California Government Code. The investment of bond proceeds will be further governed by the provisions of relevant bond documents.

2. Scope

It is intended that this policy cover all funds and investment activities under the direction or care of GCTD. Investment of bond proceeds shall additionally be subject to the conditions and restrictions of bond documents and Treasury regulations related to arbitrage restrictions on tax- exempt bonds.

3. Prudence

All persons authorized to make investment decisions on behalf of GCTD are trustees and therefore fiduciaries subject to the prudent investor standard: "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. Objectives

- 4.1 Safety. Safety of principal is the foremost objective of the investment program. Investments of GCTD shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
- 4.2 Liquidity. The investment portfolio of GCTD will remain sufficiently liquid to enable GCTD to meet its cash flow requirements.
- 4.3 Return on Investment. The investment portfolio of GCTD shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

5. Delegation of Authority

- 5.1. The GCTD Board of Directors delegates the authority to invest or to reinvest funds, or to sell or exchange securities so purchased, to the Director of Finance & Administration Chief Financial Officer/Assistant General Manager (CFO/AGM) for a one-year period. The Director of Finance & Administration CFO/AGM shall assume full responsibility for investment transactions, with the oversight of the General Manager, until the delegation of authority is revoked or expires. In accordance with GCTD internal controls, all investment transactions of GCTD require the signature of two authorized individuals...
- 5.2. For the purposes of carrying out this investment policy, the General Manager and the Director of Finance & Administration CFO/AGM are hereby authorized to make investment decisions, in strict accordance with this investment policy, on behalf of GCTD. In the absence of either the General Manager or the CFO/AGM, a designee may sign for one of the approvals.

Individuals delegated per Section 5.5 are also authorized to make investment decisions, in strict accordance with this investment policy, on behalf of GCTD.

- 5.3. All accounts established for the purpose of investing GCTD funds shall require the written authorization of the General Manager.
- 5.4. No single individual, acting alone, may engage in an investment activity, except for an authorized investment advisor/manager with discretionary authority delegated per Section 5.5.
- 5.5. The CFO/AGM, with the concurrence of the General Manager, may delegate investment management and decision authority, via written agreement, to one or more professional investment advisors/managers who are duly qualified and registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. All agents engaged in this capacity shall make all investment decisions and transactions in strict accordance with state law and this investment policy.
- 5.6. The daily management responsibility for the investment program is assigned to the CFO/AGM, who shall monitor and review all investments for consistency with this investment policy.
- 5.7. The daily management responsibility for GCTD financial activities is assigned to the CFO/AGM, who, along with the General Manager, is authorized to transfer funds between bank accounts for the purpose of conducting ongoing District business. The Director of Finance & Administration CFO/AGM may delegate other GCTD individuals to make such transfers with written concurrence from the General Manager. All transfers will be reviewed by two individuals; the individual making the transfer and one additional individual who has been authorized to make transfers.
- 6. Ethics (Conflict of Interest)

Officers, employees and agents thereof involved in the investment process shall comply with state law and refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

7. Selection of Financial Institutions and Broker/Dealers

- 7.1. GCTD shall transact business only with banks, savings and loan associations, and registered investment securities dealers. The purchase by GCTD of any investment other than those purchased directly from the issuer shall be either from an institution licensed by the State as a Broker/Dealer, as defined in Section 25004 of the Corporation Code, who is a member of the Financial Industry Regulatory Authority, or a member of a federally regulated securities exchange, a national or State-chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank. The Director of Finance & Administration CFO/AGM shall investigate all institutions that wish to do business with GCTD, in order to determine if they are adequately capitalized, make markets in securities appropriate to the needs of GCTD, and agree to abide by the conditions set forth in the GCTD Investment Policy.
- 7.2. The <u>Director of Finance & Administration CFO/AGM</u> shall maintain a list of authorized Broker/Dealers and financial institutions which are approved for investment purposes, and it shall be the policy of GCTD to purchase securities only from those authorized institutions and firms. If an external investment advisor is authorized to conduct investment transactions on GCTD's behalf, the <u>Director of Finance & Administration CFO/AGM</u> may approve a list of authorized Broker/Dealers provided by the investment advisor/manager.

8. Permitted Investment Instruments

- 8.1. The Government Code provides basic investment limits and guidelines for government entities. In the event an apparent discrepancy is found between the GCTD Investment Policy and the Government code, the more restrictive parameters will take precedence. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. Government Code §53601 states that where there is a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Credit requirements listed in the investment policy apply at the time of purchase. In the event a security held by GCTD is subject to a credit rating change that brings it below the minimum credit ratings specified for purchase, the Director of Finance & Administration CFO/AGM shall review the security. The course of action to be followed will then be decided by the Director of Finance & Administration CFO/AGM and the General Manager on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security. Any credit rating changes below the minimum credit ratings specified for purchase will be reported to the Board of Directors with the next Quarterly Investment Report, along with the findings and any actions taken.
- 8.2. Treasury Obligations: notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- 8.3. Federal Agencies and United States Government Sponsored Enterprises: Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 8.4. State Municipal Obligations: Registered treasury notes or bonds of any of the 50 United States, including bonds payable solely out of revenues from a revenue-producing property

owned, controlled, or operated by a state or by a department, board, agency or authority of any of the states. Such obligations must be rated A-1/P-1, or equivalent or better short-term; or Aa/AA or better long-term by at least one of the nationally recognized statistical-rating organizations (NSRO).

- 8.5. Local Agency Obligations: Bonds, notes, warrants, or other evidences of indebtedness issued by any local agency within the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Such obligations must be rated A-1/P-1, or equivalent or better short-term; or Aa/AA or better long-term by one of the NSROs..
- 8.6. Repurchase Agreements: Repurchase Agreements (as defined in Government Code §53601) used solely as short-term investments not to exceed 90 days.
- 8.6.1 The following collateral restrictions will be observed: Only U.S. Treasury securities or federal agency securities will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to GCTD's custodian bank or handled under a properly executed tri-party repurchase agreement.

The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by GCTD for the term of the investment. Since the market value of the underlying securities is subject to daily fluctuation, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

- 8.6.2 Market value must be calculated each time there is a substitution of collateral.
- 8.6.3 GCTD or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.
- 8.6.4 GCTD may enter into Repurchase Agreements with (1) primary dealers in United States government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) state banking institutions having assets in excess of \$1 billion and in the highest short-term rating category, as provided by one of the nationally recognized statistical-rating organizations.
- 8.6.5 GCTD will have properly executed a Securities Industry and Financial Markets Association (SIFMA) agreement with each firm with which it enters into Repurchase Agreements.
- 8.7. Bankers' Acceptances: Bankers' acceptances issued by domestic banks or domestic branches of foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest rating category by one of the NSROs. Purchases of Bankers' Acceptances may not exceed 180 days maturity or 40 percent of GCTD surplus money. No more than 10 percent of GCTD surplus funds may be invested in the Bankers' Acceptances of any one commercial bank.

- 8.8. Commercial Paper: Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):
- a) The entity meets the following criteria: (i) is organized and operating in the United States as a general corporation. (ii) has total assets in excess of five hundred million dollars (\$500,000,000). (iii) has debt other than commercial paper, if any, that is rated "A" its equivalent or higher by a NSRO.
- b) The entity meets the following criteria: (i) is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or a surety bond. (iii) has commercial paper that is rated "A-1" or higher, or the equivalent, by a NSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. No more than
- 10 percent of GCTD surplus funds may be invested in commercial paper of any one U.S. corporation. Purchases of commercial paper may not exceed 25 percent of GCTD surplus money which may be invested.
- 8.9. Medium-Term Notes: Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Medium-term notes shall be rated in a rating category of "A" or its equivalent or better by a NSRO.

Purchase of medium-term notes may not exceed 30 percent of GCTD surplus money. No more than 10 percent of GCTD surplus funds may be invested in the medium-term notes of any one corporation.

- 8.10. Certificates of Deposit: The maximum term for certificates of deposit shall be five years. The combined amount invested in negotiable certificates of deposit and certificates of deposit shall not exceed 30 percent of GCTD surplus money.
- 8.10.1 Negotiable Certificates of Deposit: Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank or by a federally licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated "A" or better by one of the NSROSs,
- 8.10.2 Nonnegotiable Certificates of Deposit: Nonnegotiable certificates of deposit shall meet the conditions in either paragraph (a) or paragraph (b):
- (a) Certificates of deposit shall meet the requirements for deposit under Government Code Section 53635 et. seq. To be eligible to receive GCTD deposits, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California communities in its most recent evaluation, as provided in Government Code Section 53635.2. Deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The Director of Finance & Administration CFO/AGM, at his or her discretion, may waive the

collateralization requirements for any portion that is covered by federal deposit insurance. GCTD shall have a signed agreement with the depository per Government Code Section 53649.

- (b) Certificates of deposit placed through a deposit placement service shall meet the requirements of Government Code Section 53601.8. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by federal deposit insurance.
- 8.11. State of California's Local Agency Investment Fund: State of California's Local Agency Investment Fund (LAIF) may be invested in for the benefit of local agencies up to the current limit set by LAIF for regular accounts. For ongoing due diligence, the Director of Finance & Administration CFO/AGM shall maintain on file a copy of LAIF's current investment policy and its requirements for participation, including limitations on deposits or withdrawals.
- 8.12. Ventura County Treasury Investment Pool: Deposits in the County pooled investment fund shall be limited to the dollar maximums of the State LAIF. For ongoing due diligence, the Director of Finance & Administration CFO/AGM shall maintain on file a copy of the County pool's current investment policy and its requirements for participation, including limitations on deposits or withdrawals.
- 8.13. Savings/Money Market Accounts: Savings/money market accounts deposits placed with commercial banks and savings and loans associations in California. The amount on deposit shall not exceed the shareholder's equity in the financial institution. To be eligible to receive GCTD deposits, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided in Government Code Section 53635.2. Deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The Director of Finance & Administration CFO/AGM, at his or her discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. GCTD shall have a signed agreement with the depository per Government Code Section 53649.
- 8.14. California Asset Management Program (CAMP): Shares in a portfolio of the CAMP, so long as the portfolio is rated among the top two rating categories by one of the NSROs. For ongoing due diligence, if GCTD is invested in CAMP, the <u>Director of Finance & Administration CFO/AGM</u> shall maintain on file a copy of the Program's current information statement to include its requirements for participation, including limitations on deposits or withdrawals.
- 8.15. Money Market Funds: Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either:
- (1) attain the highest ranking letter or numerical rating provided by not less than two NSROs, or
- (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of \$500,000,000.

The purchase price of shares shall not include any commission that the companies may charge. The purchase of shares may not exceed 20 percent of GCTD surplus money.

For ongoing due diligence, the <u>Director of Finance & Administration</u> Chief Financial Officer/Assistant General Manager shall maintain on file a copy of the money market fund's current information statement to include its requirements for participation, including limitations on deposits or withdrawals.

- 8.16 Other Mortgage-backed Securities (SB 882): A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond.
- 8.16 8.17 Ineligible Investments: Security types which are thereby prohibited include, but are not restricted to:
- (a) Reverse repurchase agreements.
- (b) "Complex" derivative securities such as range notes, dual index notes, inverse floating-rate notes, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.
- (c) Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.
- (d) Securities lending.

In the event that GCTD possesses ineligible investments purchased prior to the adoption of this policy, GCTD may hold these investments to their maturity dates. The limitation in this section shall not apply to GCTD investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940.

- 9. Maximum Maturity
- 9.1. Investment maturities shall be based upon a review of cash flow forecasts. Maturities will be scheduled so as to permit GCTD to meet all projected obligations.
- 9.2. Where the investment policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment. The Board authorizes the investment of endowment funds in securities exceeding five (5) years, as long as the investment has been approved by the Director of Finance & Administration CFO/AGM and the General Manager, and the maturity of such investments does not exceed the expected use of funds.

10. Performance Standards

The investment performance of the GCTD portfolio shall be evaluated and compared to appropriate indices in order to assess the success of the investment program. The comparable benchmarks should be consistent with the GCTD portfolio in terms of maturity and composition, which includes credit quality and security type.

- 11.1. The Director of Finance & Administration CFO/AGM shall submit to the Board of Directors annually a statement of investment policy, which the Board of Directors shall consider at a public meeting.
- 11.2. A monthly report of all investment transactions shall be submitted to the Board of Directors.
- 41.3. 11.2 A quarterly investment report shall be submitted to the Board of Directors. The reports should shall include information in accordance with Section 53646(b) of the California Government Code.
- 12. Safekeeping and Custody
- 12.1. All security transactions, including collateral for repurchase agreements, entered into by GCTD shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a third party custodian and evidenced by safekeeping receipts.
- 12.2. The only exception to the foregoing shall be securities purchases made with: (i) LAIF, (ii) Ventura County Treasury Investment Pool, (iii) CAMP pool, (iv) Nonnegotiable Certificates of Deposit, (v) bank deposits, and, (vi) money market mutual funds, since the purchased securities are not deliverable. The Director of Finance & Administration CFO/AGM shall keep a record of any funds in any of these investments.

RESOLUTION NO. 2024-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE GOLD COAST TRANSIT DISTRICT ADOPTING THE GOLD COAST TRANSIT DISTRICT UPDATED INVESTMENT POLICY

WHEREAS, Gold Coast Transit District ("GCTD") is a public body duly organized and validly existing under the laws of the State of California; and

WHEREAS; the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Section 53630 et seq.; and

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern and has passed legislation to restrict permissible investments and promote oversight procedures; and

WHEREAS; it is necessary to update the policy and guidelines for the District to invest public funds in a manner which will provide a high level of safety and security of principal; and

WHEREAS; an Investment Policy for GCTD has been updated on government code section 53601 (o) and is presented for approval to this Board this date;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Gold Coast Transit District adopts the attached (EXHIBIT A) GCTD updated Investment Policy and authorizes and directs the Chief Financial officer to use said Policy in the investment of District funds.

PASSED, APPROVED AND ADOPTED this 3rd day of April, 2024.

Mike Johnson Board Chair

ATTEST: I HEREBY CERTIFY that the above Resolution 2024-03 was duly introduced, read and adopted by the Board of Directors of Gold Coast Transit District at a regular meeting held on April 3, 2024.

Vanessa Rauschenberger,
Secretary of Board



Date: April 3, 2024 Item #9

To: Board of Directors

From: Cynthia Duque, Director of Planning and Marketing

Subject: Consider Approval of GCTD's New Fare Structure and Date of

Implementation

SUMMARY

As discussed in recent meetings of the Board of Directors, staff has been working to improve our organization's efficiency, reduce costs, and identify ways to meet the goals in our Strategic Plan to increase revenues and ridership. This report addresses one proposed strategy identified as being key to addressing GCTD's future financial challenges, a fare adjustment. GCTD last implemented an adjustment to the base fare structure in 2011 completing a 2-year incremental increase in fares from \$1.25 to \$1.50.

In January, GCTD launched a public education campaign to gather public feedback on two proposed fare alternatives. This effort included a survey, public meetings, onboard notices, attendance at community meetings and events, and a social media campaign. A public hearing was held at GCTD's Board of Directors meeting on March 6, 2024. The public comment period closed on March 7, 2024.

After careful analysis of the survey results and consideration of all public comments, GCTD Staff recommends the GCTD Board of Directors authorize staff to implement a new fare structure that would increase base fare to \$2 and \$1 for reduced fare. Additionally, increases will be applied to all other fare categories. The complete fare structure is enclosed as Attachment A.

The recommendation is for the Board to authorize implementation of the new GCTD fare structure effective Sunday, July 7, 2024, to coincide with GCTD's next scheduled service change and publication of the new Bus Book. Upon approval, a robust public education campaign will follow to inform the public about this change.

II. BACKGROUND

Budget Scenario – The Challenge

For GCTD, while ridership has steadily recovered to pre-pandemic levels, revenues have fallen short of meeting increased costs for the third year in a row. One-time temporary bridge funding, including COVID-relief funds, have been expended. Our agency is now facing a convergence of factors including:

GOLD COAST TRANSIT DISTRICT

Increasing Operational Costs: GCTD's operating expenses have increased from approximately \$19 million a decade ago to just over \$37.1 million in FY 23-24. Federal, State and Local funding sources have increased at a slightly slower rate over the same period. The rate of growth for these funding sources is not anticipated to change. Due to these factors, our preliminary projected shortfall for fiscal year 2025 is approximately \$4 million, with the potential to grow annually due to increases in operational costs (wages, benefits, insurance), maintenance expenses, etc.

<u>Ridership and Fare Collection</u>: For GCTD, while ridership has steadily recovered to pre-pandemic levels, revenues have fallen short of meeting increased costs for the third year in a row.

While GCTD's base fare is \$1.50, throughout this period the <u>average</u> fare collected per passenger has increased from \$.70 to nearly \$1. This increase is largely attributed to the college/youth ride free program - a pilot program funded by a grant obtained and administered by the VCTC from California's Low Carbon Transit Operations Program (LCTOP). This program reimburses GCTD for youth rides and has generated nearly \$1 million in fare revenue for GCTD.

On GCTD's Flexible Services, there has been a full recovery of its ADA/Senior riders on GO ACCESS, as well as increasing momentum of riders on the popular Late Night Safe Rides Service. The latter was initially a grant-funded program intended to provide a safe late-night return solution to those requiring transportation within our service area during a time when traditional fixed-route bus service is not available. While a return to ridership is positive, the service is costly, averaging around \$43 per trip. If non-ADA required services like Late Night Safe Rides are to continue, GCTD must reconsider the cost recovery model. A complete description of programs offered under Flexible Services is enclosed as Attachment B.

Public Outreach on Proposed Fare Change

To gather public feedback, GCTD launched a multi-pronged public education campaign that consisted of a survey available both online and on board, community meetings, a social media campaign, partnerships with community-based organizations to identify key community events, and pop-up events at or near high-ridership stops. Lastly, GCTD held a public hearing on March 6, 2024.

Overall, the prevailing sentiment from our public meetings was that while attendees' general preference was that fares would remain the same, they demonstrated understanding and support for the necessity of the proposed adjustment. A final analysis of the survey results is enclosed as Attachment C.



II. PROPOSED ALTERNATIVE FARE STRUCTURES

A detailed table of all fares for both current and proposed alternative fare structures can be found in Attachment A, enclosed.

CURRENT FARE STRUCTURE

GCTD's fixed route base fare is \$1.50. The Reduced Fare category for seniors, individuals with disabilities, and veterans applies a 50% discount to the base fare and multi-ride passes. Seniors over 75 ride free. Multi-ride passes also provide an 11-17% discount per ride. The Senior/ADA

Go ACCESS (demand response) fare is \$3.00 with Premium Direct Service to Camarillo provided for \$6.00. Flexible Service demonstration projects including Late Night Safe Rides, GO Now On-Demand (one year pilot) have a fare of \$2.00.

PROPOSED FARES - Fixed Route

This alternative would increase the fixed route base fare to \$2.00, and \$1.00 for reduced fare. Discounted Day Pass and Multi-Ride Passes prices are shown in Attachment A.

Fixed Route	Current	New
1-Ride Regular Fixed-Route Base Fare	\$1.50	\$2.00
1-Ride Reduced Fare	\$0.75	\$1.00
Transfers (up to 2hrs)	Included	Included

PROPOSED FARES – ADA and Flexible Services

By federal law, the fare for ADA service cannot exceed more than twice the regular fixed-route fare, making our ADA/Senior GO Access fare \$4.00 if the base is \$2. Other, non-mandated services can have fares determined by the agency. Fares proposed as follows:

ADA and Senior Services	Current	New
GO ACCESS for Persons with Disabilities (ADA Certified)*	\$3.00	\$4.00
GO ACCESS for Seniors 65+	\$3.00	\$4.00
Premium Direct Service to Camarillo for ADA / Seniors	\$6.00	\$8.00
*Federally mandated ADA service		
Flexible Services (General Public Services)	Current	New
Late Night Safe Rides	\$2.00	\$5.00
GO Now Microtransit	\$2.00	\$4.00
JJC Hop Service (Book a ride between JJC to the Esplanade)	\$2.00	\$4.00
Health Zones (zone-based pricing)	\$3/zone	\$4/zone

Late Night Safe Rides has gained momentum each quarter after launching in May of 2021. The \$2.00 fare was intended to be an introductory, promotional fare while the service was in the grantfunded demonstration phase. With grant funds now spent and ridership climbing, the fare must be adjusted to continue the service. At this time, staff proposes a flat fare of \$5.00. We will continue to monitor this service to determine its long-term sustainability at this fare rate.

Financial Projections

With the proposed changes to the fare structure, GCTD is projecting additional fare revenue to be approximately \$1 million. It is important to note that this increase in revenue will be used to help GCTD minimize budget related service reductions; however service levels may still need to be adjusted to align with budget and staff availability. The primary purpose of the fare change is to help ensure that fare revenues keep up with inflationary cost increases, and to help address projected structural deficits. Fare revenue increases will not be sufficient to support expanded service levels at this time.

Other Alternatives Considered

A fare increase is not a popular or desirable option; however, the alternatives are much more severe. Inaction can result in more difficult choices, including reducing service levels, workforce

cuts, and discontinuing of services that the public has come to depend on. A proposed fare increase is just one of the many actions GCTD has considered in recent months. Per a <u>presentation</u> to the Board in September of 2023, staff outlined a menu of options to reduce costs and generate revenue. No one single approach will address the challenges; but rather a combination of the options presented.

II. COMMUNICATION AND IMPLEMENTATION PLAN

It is recommended that, if Board approved, the new fare structure would take effect on Sunday July 7, 2024 to coincide with the date of the next planned service change and publication of the Bus Book.

In anticipation of this date, GCTD will launch a robust communications plan to notify the public of the change and how to best prepare for this, including education on the varying payment options, most notably fare capping, multi-ride pass discounts, etc.

This is a unique opportunity to incentivize passengers to transition away from paying per ride in cash, and instead choosing from one of the mobile or multi-ride pass options to not only benefit from a discount, but this method also speeds up boarding and travel time.



CONCLUSION and RECOMMENDATION

GCTD's fare structure has remained unchanged for over a decade. Implementation of the proposed fare structure will be a significant step toward assuring that GCTD's services are reliable and economically sustainable in the long term. We understand that fare increases are a sensitive issue for our passengers, and we are committed to implementing this change thoughtfully and responsibly, to ensure that the impact on our riders is considered and minimized.

It is recommended that the Board Consider Approval of GCTD's New Fare Structure and Date of Implementation effective July 7, 2024.

General Manager's Concurrence

Vanessa Rauschenberger

Attachment A: Proposed Fare Structure

Attachment B: Flexible Service Program Descriptions Attachment C: Final Survey Results and Analysis

GCTD Fare Adjustme	nt - Draft Alte	ernatives		CURRE	NT F#	ARES		ALTERN	IATIV	E 1
FIXED ROUTE										
	Descrip	tion	Fu	ll Fare	*R	educed Fare	Fu	ıll Fare	Re	educed Fare
Cash Fares										
Fares paid with cash and/or co		_	_		_				_	
Base Fare	1-Ride (valid 2	=	\$	1.50	\$	0.75	\$	2.00	\$	1.00
Day / Days	Unlimited trips single day.	within	¢	4.00	t.	0.00	¢	۲.00	ď	0.00
Day Pass			\$	4.00	\$	2.00	\$	5.00	\$	2.00
*Reduced Fare - Seniors 65+, Vete	erans, Persons with I	Disabilities								
Pre-Paid Tickets & Passes										
Paper / magnetic stripe passes	sold at ticket out	lets or thourgl	h bulk	orders.						
Digital passes sold through Toke		_								
	Unlimited trips	within 31-								
31-Day	Day period.		\$	50.00	\$	25.00	\$	65.00	\$	32.00
		\$ per ride	\$	1.25	\$	0.63	\$	1.63	\$	0.80
		Discount		17%		17%		19%		20%
	15 trips no time	,								
15-Ride	limitation.	,	\$	20.00		\$10.00	\$	25.00	\$	12.00
To mas		\$ per ride	\$	1.33	\$	0.67	\$	1.67	•	0.80
		Discount		11%		11%		17%		20%
1-Ride (valid 2 hrs)	Sold on Token	Transit								
			\$	1.50	\$	0.75	\$	2.00	\$	1.00
	Unlimited trips	within	•							
Day Pass	single day.		\$	4.00	\$	2.00	\$	5.00	\$	2.00
Fare Cap - 31 Day Maximum	Digital Sales On	ly	\$	50.00	\$	25.00	\$	65.00	\$	32.00
Puchases of 1-Ride and Day Po	asses apply toward	d fare cap.								
ACCESS & FLEXIBLE SERVICES										
Mandated Services	Description		Full	Fare			Full I	Fare		
ACCESS / ADA Certified	Single Trip		\$	3.00			\$	4.00		
Non-Mandaded Serivces - ADA & Ser	niors									
ACCESS / Seniors over 65	Single Trip		\$	3.00			\$	4.00		
ACCESS 10-Ride Book	Sold to Agenci	es Only	\$	30.00			Neg	gotiated		
Camarillo Direct Service	Single Trip		\$	6.00			\$	8.00		
Non-Mandated Flexible Serivces - Ge				_						
Health Zones	Variable cost p	oer trip	\$		per	zone	\$	4.00	per	zone
GO Now Microtransit	Single Trip		\$	2.00			\$	4.00		
Hop Service to JJC	Single Trip		\$	2.00			\$	4.00		
Late Night Safe Rides	Single Trip		\$	2.00			\$	5.00		
F: 15 1	Operating C		Far	e % of Co	ost		Fare	e % of Co	ost	
Fixed Route	\$9.00			17%				22%		
ACCESS & Flexible Services	\$43.00	J		7%				9%		

SUMMARY OF GCTD DEMAND RESPONSE SERVICES

GO ACCESS SERVICES FOR PERSONS WITH DISABILITIES (ADA CERTIFIED) & SENIORS 65+

ADA TRIPS: Since 1994, GCTD has provided federally mandated and FTA ADA-compliant advance reservation, origin to destination services that essentially bring the bus stop to the customer's curb. All vehicles are wheelchair accessible and provide service during the same hours that GCTD's fixed services operate throughout the GCTD service area of Ojai, Oxnard, Port Hueneme, Ventura, and unincorporated areas between the member cities. For background, Federal regulations require that ADA complementary paratransit service meet five criteria:

- 1. Operate within a ¾ mile band surrounding existing the fixed route service line.
- 2. Operate service during the same hours that the actual route operates within that \(^3\)4 band.
- 3. One-way fares may not exceed twice the fixed route Adult cash fare.
- 4. All ADA trip requests must be provided if requested during the reservations window (8 AM to 5 PM) the previous day.
- 5. Passenger travel time on a paratransit vehicle may not exceed what the travel time would be if the passenger used fixed-route service for the same trip. Travel time is measured from the passenger's door, the pedestrian travel time to/from the respective bus stops, and the final destination.

The federal regulations are clear; complimentary paratransit was designed to provide access to local public transit services, not to replace the convenience of a personally owned vehicle. GCTD is proud of the fact that since 1999, ADA paratransit service is provided to our customers throughout the service area, regardless of whether a particular fixed route line is in service or not. We do this because we support the spirit of the ADA, which is one of inclusion, of non-discrimination, of providing individuals with disabilities the same opportunities to participate in and benefit from goods and services offered within the community.

SENIOR TRIPS: In recognition that many seniors have similar mobility needs, GCTD expanded its ACCESS services in October 1999 to provide the same level of mobility support and services to seniors, 65 years of age and older. This service is available to seniors without having to navigate an additional application. Seniors pay the same fare as ADA Trips.

SENIOR NUTRITION TRIPS: Recognizing the importance of senior nutrition and safe transportation to aggregate meal sites, in 1999, GCTD collaborated with the Ventura County Area Agency on Aging (VCAAA) to waive Older American Act transportation subsidies that would have gone towards financially supporting group transportation to VCAAA-sponsored meal sites. Passengers do not pay a fare to travel to/from congregate meal sites for nutrition programming.

PREMIUM DIRECT CONNECT (SERVICE TO CAMARILLO): This service was introduced in January 2020 to streamline transportation service to Camarillo by converting dwell time at transfers to productive revenue service time. Customers have reacted very favorably to this service. The potential for pedestrian accidents while changing vehicles along with the anxiety of missing a transfer (and possibly an appointment) is virtually eliminated. These factors likely contribute to the willingness to pay higher fares (2x fare) each way to avoid the challenges inherent in transferring to another agency and vehicle. This pilot showed GCTD that customers will pay for the service they value. An added bonus is that GCTD's elimination of idling vehicles at transfer locations contributes to local Clean Air efforts.

Item 9: Consider Approval of GCTD's New Fare Structure and Date of Implementation Attachment B

COUNTYWIDE INTERAGENCY TRANSFERS: GCTD has been providing paratransit transfer services to help our ADA/senior passengers connect with neighboring agencies such as the Heritage Valley and Camarillo since 1996. Transfers with Thousand Oaks Transit began in 2000. Fares are collected by the transit agencies providing the services.

FLEXIBLE SERVICES AVAILABLE TO THE GENERAL PUBLIC

LATE-NIGHT SAFE RIDES: This demonstration service was introduced in May 2021 to provide customers with reliable and safe public transit service after dark. Initially designed to assist late-shift employees, especially those within the food, hospitality, and service sectors access transportation when traditional fixed-route bus service is not available from 8pm to 11pm, the service now provides safe rides for passengers with a diverse set of needs. This general public dial-a-ride service provides transportation throughout the entire GCTD service area. The concept has been very well received, and service hours have been expanded from 7 PM to midnight.

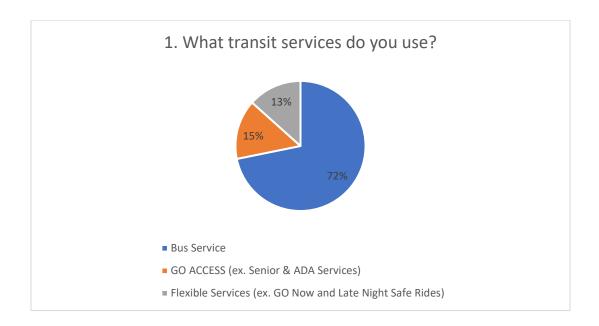
GO NOW: This is a demonstration service provided to test the viability of on-demand app-based shared ride transportation in a "zone" located in South Oxnard. The service launched in June of 2023 and the fare is currently \$2.

HOP (JUVENILE JUSTICE CENTER CONNECTION WITH FIXED ROUTE SERVICES): Introduced in January 2020 to provide a direct connection to the Juvenile Justice Center (JJC) from the Esplanade bus stops, served by both GCTD and VCTC bus services. Fare to/from Esplanade/JJC is currently \$2.00. In support of the County's access to transportation goals and requirements, GCTD tried without success to incorporate a productive bus stop at the Juvenile Justice Center (JJC) over many years in various route configurations. Fixed-route services were eliminated in January 2020 due to well-documented non-use and quickly replaced with an on-demand service option to provide a connection to the center during visiting hours as needed.

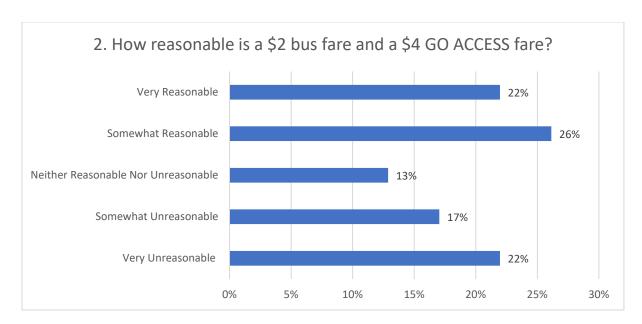
HEALTH ZONES (known as ZONES service): This General Public Dial-A-Ride (GPDAR) service was created in 2008 to fill the gap for mobility support in extremely short-term situations. The premise of the program was that by the time an ADA application was completed, the need for mobility assistance had passed and with it the opportunity for a constituent to realize the value good community public transit services add to the overall local quality of life. Fares are for Health Zones are based on the number of zones the passenger travels.

Proposed Fare Adjustment Survey Analysis

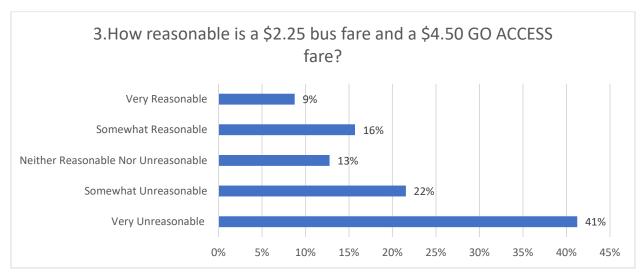
After closing the survey on March 7, 2024, GCTD received a total of 281 responses. Of the responses received, 180 were completed digitally and 106 were submitted on paper. All in all, 249 of the surveys were answered in English, and 37 were in Spanish. The following report shows the complete summary of all responses collected during Phase 1 of the fare adjustment.



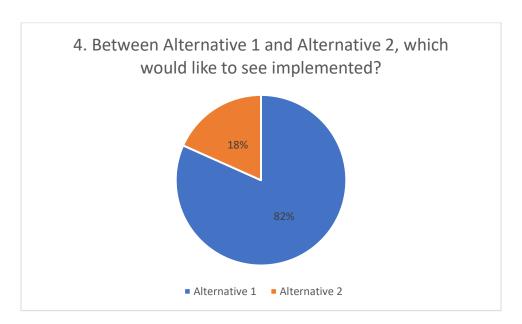
At 72% most of the respondents identified using GCTD's bus service, followed by Flexible Services at 15%, and GO ACCESS at 13%.



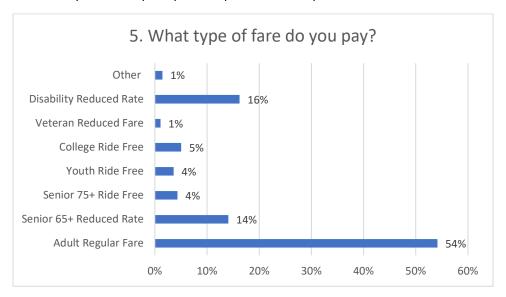
When asked how reasonable a \$2 bus fare and a \$4 GO ACCESS fare are, 22% answered very reasonable and 26% answered somewhat reasonable. Inversely 22% of people answered the fare increase at this price range to be very unreasonable, and 17% replying it was somewhat unreasonable. The remaining 13% thought the price range was neither reasonable nor unreasonable.



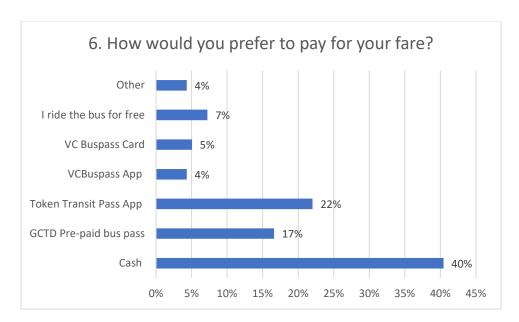
For Alternative 2, the same question was asked as the previous one, but with a \$2.25 bus fare and a \$4.50 GO ACCESS fare. Most people found this price range to be very unreasonable, with 41% answering as such and 22% answering the price range to be somewhat unreasonable. Only 9% found this price range to be very reasonable, followed by 16% who answered somewhat reasonable. The remaining 13% found this price range to be neither reasonable nor unreasonable.



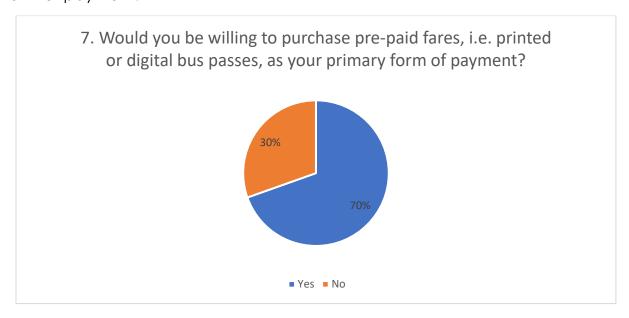
Given the choice between Alternative 1 and Alternative 2, 82% of people prefer Alternative 1. Only 18% of people responded to prefer Alternative 2.



When asked to identify what type of fare people pay, 54% answered paying a adult regular fare, followed by 16% who pay a disability reduced. For those who pay veteran reduced fare and senior 65+ reduced, each of these groups corresponded to 14% of respondents. College Ride Free was 5%, followed by Youth Ride Free and senior 75+ ride free each at 4%. "Other" was only 1% of responses.



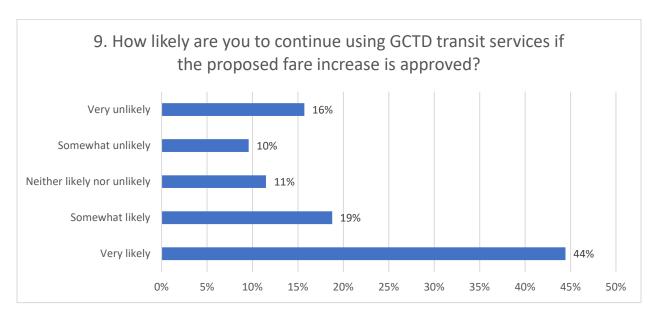
When asked how people preferred to pay for their fares, 40% responded cash, followed by Token Transit App at 22%, and GCTD pre-paid bus passes at 17%. Less chosen options were VC Buspass Card at 5% and VC Buspass App at 4%. The remaining either rode the bus for free or identified "Other" as their preferred form of payment.



Overall, 70% of people said they would be willing to purchase pre-paid fares as their primary form of payment, with the remaining 30% answering "No."

8. If not, please explain why.

Of those who reply not willing to purchase a pre-paid fare as their primary form of payment, some of the top reasons were not knowing or not being comfortable using digital forms of payments, not having reliable internet access, being afraid of losing passes, only using GCTD's service intermittently, and cash being more the most convenient form of payment.



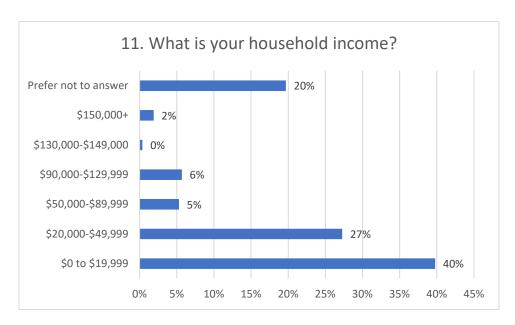
If the proposed fare increase were to take place, 44% responded to being very likely to continue using GCTD's transit services. This was followed by 19% indicating being somewhat likely, 16% being very unlikely, 11% being neither likely nor unlikely, and 10% being somewhat unlikely.

10. Do you have any other comments concerning GCTD's proposed fare adjustment?

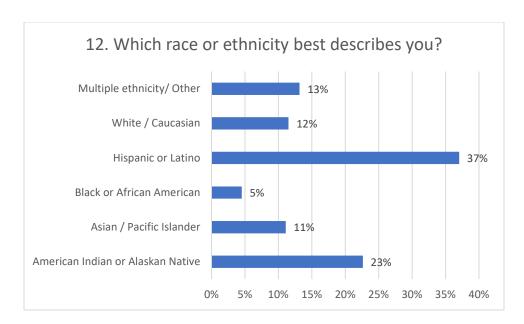
Based on the provided feedback on the proposed fare adjustment for public transportation, here are the top three takeaways:

Affordability Concerns: Many users express concerns about the
affordability of public transportation, particularly for those on fixed
incomes or with limited financial means. They emphasize that any fare
increase would add strain to low-income families and individuals who rely
on the bus as their primary mode of transportation.

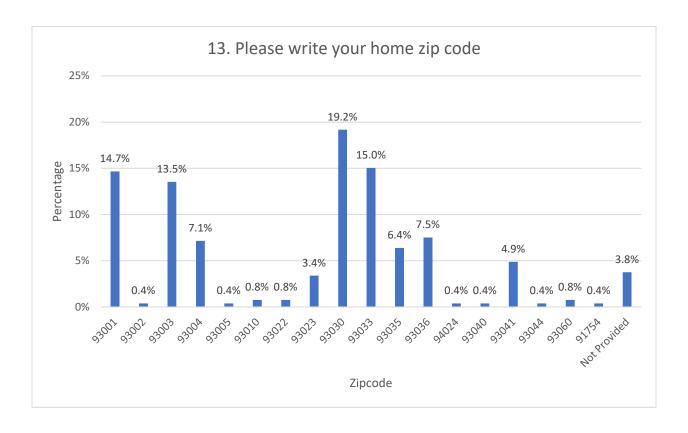
- **Service Quality:** Users are not only concerned about the cost but also the quality of service provided. Some users suggest that improvements in service quality should synchronously improve with a fare increase.
- Impact on Ridership: There are concerns that a fare increase could lead
 to decreased ridership, as some individuals mention that they would be
 forced to seek alternative transportation options if the fares became
 unaffordable.
- Youth Ride Free: Many mentioned having the youth pay in full or partially for riding the bus, erroneously believing that they add further financial burden to the agency. In reality, GCTD gets reimbursed in full for youth 18 years of age or younger. Youth Ride Free is funded by California's Low Carbon Transit Operations Program, which is a part of the state's capand-trade revenue and is administered by the Ventura County Transportation Commission.



For household income, 40% replied earning less than \$19,999, 27% earning \$20,000-\$49,999, and 20% preferred not to answer. The remaining household income for people was 6% earning \$90,000-\$129,999, 5% earning \$50,000-\$89,999, and 2% earning more than \$150,000 household income.



Among survey takers, 37% identified as being Hispanic or Latino, 23% as being American Indian or Alaskan Native, and 12% as being White/Caucasian. A smaller representation was Asian/Pacific Islander at 11% and multiple ethnicities/other at 13%. Black or African Americans made up 5% of correspondents.



The top five zip codes we have received responses from have been 93030, 93033, 93001, 93003, and 93036. The zip code listed corresponds to Oxnard, Ventura, Casita Springs, Port Hueneme, and El Rio areas.

Q8 If not, please explain why.

Answered: 27 Skipped: 135

#	RESPONSES	DATE
1	The bus stops are to fare from each other example I have to walk 15 minutes to nearest bus stop.	3/6/2024 6:37 PM
2	Don't want to	3/5/2024 6:19 PM
3	If I have to provide the print out, it just means that I'm paying more for the paper and ink still	2/24/2024 12:41 PM
4	I feel like it can be complicated	2/20/2024 7:53 AM
5	Easy to carry billfold, instead of coinsfaster to board with \$2/\$1 instead of \$2.25/\$1	2/16/2024 4:21 PM
6	It's easier access to have cash rather than the phone as sometimes the reception can be bad not being able to pull up our fares on time. As someone who commutes to and from Oxnard to Northridge for university on a near daily basis, sometimes my phone is unavailable to use as my bus pass by the time I come home for the evening.	2/14/2024 11:40 PM
7	N/A	2/14/2024 3:59 PM
8	Pre-pay is not always conveneint	2/14/2024 3:41 PM
9	Wifi is not always available, which is required by app.	2/10/2024 3:12 AM
10	Not a lot of people mainly Hispanics know how to use them	2/2/2024 7:46 PM
11	There should always be an option to get your ticket on the spot.	2/1/2024 7:17 PM
12	No I disagree paying \$200 or 2.25 it isn't fare please keep the \$1.50 that is fare.	2/1/2024 6:43 PM
13	Because my need to use public transit is intermittent.	1/30/2024 4:21 PM
14	I'm not always aware of when i will need the bus and have lost may prepaid type "tickets"	1/29/2024 9:47 AM
15	The bus service can be improved. Raising prices just adds to the need to fix the problems	1/26/2024 10:48 AM
16	Easier and convenient for me.Occasional user, bus pass not god choice for me.	1/25/2024 3:55 PM
17	Don't rise the fare let passengers pay \$1.50 like always.	1/25/2024 12:35 AM
18	too many apps	1/24/2024 3:39 PM
19	I don't know when I will ride the bus.	1/24/2024 12:32 PM
20	Don't like internet	1/24/2024 8:35 AM
21	I have Multiple Sclerosis related memory issues, and have been known for repeatedly loosing my bus card. ② 💳 💔 🏣	1/23/2024 12:35 PM
22	On the alternative 1 or 2 I choose neither you made me choose unwilling. Keep it at 1.50 for us that can't afford hints why we take the bus. Everything is so damn expensive now for us single parents.	1/23/2024 8:28 AM
23	I think it is easier to use the VC bus pass as I have established autopay for it	1/23/2024 6:19 AM
24	Unreliable	1/22/2024 1:31 PM
25	Don't ride as frequently	1/22/2024 1:08 PM
26	Cell phone problems on occasion (digital passes). Fear of loss of hardcopy passes.	1/21/2024 2:53 PM
27	The late-night proposal is ridiculous	1/18/2024 11:16 PM

Q8 ¿Si no, por favor explique por qué?

Answered: 2 Skipped: 11

#	RESPONSES	DATE
1	Effectivo es mas mejor	1/28/2024 3:39 PM
2	Porque me es más fácil pagar en efectivo	1/24/2024 5:20 PM

Q8 If not, please explain why.

Answered: 21 Skipped: 85

#	RESPONSES	DATE
1	I lose them or forget where I put.	3/13/2024 9:03 AM
2	It's easyer to pay with spare change	3/13/2024 8:53 AM
3	I'm older (59) technology is difficult for me to understand.	3/13/2024 8:46 AM
4	Mas seguro pagar efectivo	3/13/2024 8:37 AM
5	I want to pay as neeeded	3/12/2024 4:57 PM
6	Porque no entiendo la nueva tecnologia	3/12/2024 4:50 PM
7	to easy to loose	3/12/2024 2:15 PM
8	to easy to scam	3/12/2024 2:04 PM
9	That means way pay things out	3/12/2024 2:01 PM
10	Coast of living is to high	3/12/2024 1:56 PM
11	I am an elderly student w/disabilities.	2/21/2024 11:44 AM
12	Go ACCESS rider 90% of time.	2/21/2024 11:15 AM
13	Not sure how to purchase	2/16/2024 3:51 PM
14	No entiendo usar internet	2/7/2024 3:56 PM
15	I don't have means of digital	2/7/2024 3:53 PM
16	Nose digital muy complicado para mi	2/7/2024 3:41 PM
17	I only use the bus from time to time	2/7/2024 3:37 PM
18	I do not ride the bus every day	2/7/2024 3:36 PM
19	porque no me interesa	2/7/2024 2:53 PM
20	I don't do it now	2/7/2024 2:21 PM
21	I pay with cash	2/7/2024 2:12 PM

Q10 Do you have any other comments concerning GCTD's fare adjustment?

Answered: 59 Skipped: 103

#	RESPONSES	DATE
1	I really like to use the bus, but some time the time that I'll take to get to the nearest bus stop is to much,if I take my car I will be back home in less time	3/6/2024 6:37 PM
2	I'd prefer the prepaid reduced fare to remain at 10 for 15 ride and 25 for 31 as that is affordable to me.	3/3/2024 9:20 PM
3	Free rides should include "Standing passengers riding less than a mile or two"	2/28/2024 4:59 PM
4	I do not think it is fair to raise the cost of the bus for people now that you are offering free rides to students under 18 and college students. Students under 18 taking the bus free to school are causing issues on the bus - now certain busses are overcrowded, students are being rude and disruptive on the bus, not following rules such as letting the disabled/elderly use the front seats, etc. Not only do those of us riding the bus to work or to get to the places we need to go have to deal with this, but now we have to pay even more to make up for the money you're losing on offering them free rides? That is extremely unfair.	2/26/2024 5:11 PM
5	Maybe if it was a \$1.75 it would be better, and maybe we could revisit to increase it to \$2 in the future from there but currently, no	2/24/2024 12:41 PM
6	Yeah, It's inevitable.	2/18/2024 2:20 AM
7	Introducing a county-wide day pass which is valid on all transit system (VCTC, TOT, CAT, Moorpark Transit, Valley Express, and Simi Valley Transit(instead of VCpasses to pay each fare For example, \$5 to \$10 Day pass that is valid on countywide transit, excluded Coastal and Conejo Valley express outside the county line	2/16/2024 4:21 PM
8	Increasing fares would be an unfair burden for folks who already are likely to be socioeconomically disadvantaged. Also, with the need to move away from gas powered vehicles because CLIMATE CHANGE, because our planet is hurting, encouraging public transit should be prioritized and increasing fares would NOT achieve that.	2/15/2024 4:10 PM
9	No	2/15/2024 10:50 AM
10	I think it's unfair as many people rely on bus transportation and its the only affordable way to get around town in the entire county/state. As a university student who constantly has to pay a lot for transportation and school necessities I would hate for the price to increase for the bases as well. I also suggest making the busses free for ANY university student too as many people here in oxnard attend universities out in Los Angeles County (CSUN, CSUF, Cal State L.A., etc.)	2/14/2024 11:40 PM
11	Price raise	2/14/2024 3:59 PM
12	stop giving "free rides" to students, it is not fair to raise the rates on everyone else and students ride free, the drivers overfill the 6 with students, free rides are costing you and not fair to seniors.	2/14/2024 3:41 PM
13	Is it possible to petition for more funding elsewhere? GCTD is considered highly efficient and reliable but I have yet to see that be proved. Busses arrive well before or after scheduled times and will run past stops even when there are people waiting at them. I do not feel the quality of service lives up the cost to ride	2/14/2024 8:03 AM
14	Senior citizens like myself are on a fixed income. We can barely pay rent and buy food let alone cost of living increases are not even close to do any good. What good is \$40 dollars extra a month. It's nothing.	2/12/2024 3:38 PM
15	Increased rates, more rider friendly pet regulations (ie. Service animals) leased and or crated/locked in carrier on floor, during transport. Either on City bus or Access bus.	2/10/2024 3:12 AM

Proposed Fare Adjustment

16	No	2/8/2024 6:41 PM
17	I would like to thank you for your service, me and my family use the bus on daily bases, If public transportation fare will be raised, that will add more strain and pressure on already struggling low income families. I believe there should not be a fare raise, thank you	2/7/2024 8:09 PM
18	Raising the price, even \$.50, will make it impossible for me to use the bis system and have to walk more than I already do. I have a hard enough time paying for the bus as it is.	2/4/2024 11:10 AM
19	I've seen plenty of people struggle and ask around for a couple quarters or a dollar to get on the bus. This would just make it even harder for those people who might not be able to get around any other way.	2/1/2024 7:17 PM
20	Yes buses need seat belts it is better for the passengers.	2/1/2024 6:43 PM
21	Yes. I approve/agree with the fare increase if the bus routes/service are significantly improved. Better wait times, routes better.	2/1/2024 5:41 PM
22	Don't it hurts low income, it's why we ride	2/1/2024 10:27 AM
23	1.75	1/31/2024 8:16 AM
24	Align it with other local operators and offer fare capping. It's not fair that someone that can afford a \$25 pass pays less than the person that can only pull together \$2 at a time.	1/30/2024 4:21 PM
25	Cash options should be available always	1/29/2024 5:51 AM
26	I started to ride the bus to work after the gas prices are high. If the bus fares are increased, I will be driving to work. It doesn't make sense the bus fares will be higher than in LA. The ridership is already low in Ventura and it's only going to be lower if the fare is increased.	1/29/2024 12:06 AM
27	Students should pay atleast half of fare. Reason being is they are always on the bus.	1/27/2024 3:08 PM
28	Shouldn't Go Up People Can Barley Afford It Now	1/27/2024 8:41 AM
29	The increase is a lot in some cases and that concerns me. If you really want to encourage prepaid passes, perhaps you could make a system where prepaid users get a free ride every so often, like after using up a 31 day pass or all 15 of their rides or something. Also, since school students get to ride the bus for free, you might want to consider also letting school staff ride for free. There aren't enough school staff who need the bus regularly that it would make an impact and the school staff who need it would appreciate it - we don't make that much money	1/26/2024 10:58 PM
30	I would increase the transfer time limit if the fare is going up. 🤔	1/26/2024 7:37 PM
31	Go access needs to approve the pickup times and drop off times	1/26/2024 2:51 PM
32	Every other transit system raises prices. Do not.	1/26/2024 10:48 AM
33	If rates go up toi much, it may be difficult to tip each Go Access driver.	1/26/2024 9:28 AM
34	The fare pricing should stay the same because not many people can afford the bus. \$1.50 is a reasonable price, and I don't see changing the price any difference. A \$1.50 is reasonable.	1/25/2024 9:14 AM
35	Would like to see additional service come along with any fare increase. Bus service is somewhat marginal in Ventura already. Fare increases need to come with improved service particularly later hours to and from downtown.	1/25/2024 8:25 AM
36	I only take the bus for pleasure and convenience so a higher fee is not a bit deal. I am concerned about those who take it out of necessity.	1/24/2024 10:20 PM
37	I cannot afford the rate hike. With everything increasing their prices. it just to much.	1/24/2024 6:32 PM
38	You guys can't raise it its my only way to get around you corporate I'll save up for a car instead of paying a raised fare	1/24/2024 6:14 PM
39	I think alternative one is a little better than the second. I understand that everything is going up in price but when coming to a decision please factor those that are on fixed incomes and what you think is reasonable if you don't have a car and are working part-time	1/24/2024 3:33 PM
40	The supervisors refuse to adjust times taking into account transfers from other buses. Make them listen to driver input and make them ride their routes at least once a month.	1/24/2024 1:24 PM

Proposed Fare Adjustment

41	I actually don't use the GCTD'S services, but I still wanted to express an opinion, because I am concerned the rise is such a large percentage. Perhaps there could be a gradual increase-even planning for future rises. For example, increase the rate every 3 or 4 years by 2-3%. Obviously there wasn't any foresight for inflation back in 2010, or the prior years. Yes, there was the recession in 2007-2009, but perhaps there could have been a special hold on any any rate increases during unexpected economic downside times? Is there any way to implement a plan that will take into consideration future rate increases? Thank-you for taking the time to review this opinion.	1/24/2024 12:32 PM
42	You are the only transit choice we haveSomething more important is running on time, and the stops clean and safe. The drivers should NOT leave the stop EARLY! They should adhere to the schedule! Some of the stops smell like pee and are full of trashperhaps that is the City of Vta responsibility? Often you can't sit because there is someone sleeping, wandering around mumbling, asking for money, pounding fist and screaming etc. When you wait for a transfer for intercity blue bus for 25 min or more it's very stressful and feels very unsafe. I have had to call the police sooo many times. The 6/11/21 stop at Victoria and Telephone is particularly bad. A side note, several of the drivers are outstanding, mostly the women who drive on the 11 route, one blonde named Angela, and two Latinas who kind of look like Penelope Cruz. They are kind and helpful The schedule is lame though, WHY isn't there a way to get across town without stopping at the transit center and making everyone get off and wait for 10-15 min EVERY time? Especially when it is very cold at night and the driver is in the bus, obviously sees that old people are outside there, just waiting to get on, and he doesn't care to let us on. It takes forever and often 2 or even 3 buses to get anywhere in Ventura. There should be at least 1 or 2 express busses across town. The East end is very underserved. Why isn't there a run down Kimball between Telegraph and Telephone? The people who make the schedules should spend several days actually riding around on the bus incognito to see what it really is like. Like undercover boss lol. Thank you.	1/24/2024 8:35 AM
43	I don't like fare increases because the current fare structure fits better with me and pays more cheaper to ride	1/23/2024 9:42 PM
44	Square the bus up to curb to prevent tripping hazard.	1/23/2024 4:19 PM
45	Less people with groceries bask is really uncomfortable to make space for those bigger baskets.	1/23/2024 3:54 PM
46	Please reach out to nonprofit organizations to get the imput of more riders and those who do not respond to surveys.	1/23/2024 1:59 PM
47	If there's going to be a rate hike, please invest that money into purchasing more wheelchair buses instead of the vans. There's too much of a shortage of them! It's NOT SAFE for me to safely turn my extra large, exceptionally wide power wheelchair around in the vans. I've already driven off the ramp in reverse when exiting, and when asked to adjustthe front wheel went out of the right side front door more than once!	1/23/2024 12:35 PM
48	The bus is supposed to be affordable and now your making harder on us.	1/23/2024 8:28 AM
49	If it is possible to not make a fare increase, please do. Otherwise, I am willing to pay the Alternative 1	1/22/2024 6:01 PM
50	You have too many empty buses running around. You need to better plan your service.	1/22/2024 1:31 PM
51	Not everybody in Oxnard makes a living wage and unfortunately many of us have to rely on public transportation to get around and that already adds to our fees for the month. Theres alot of money put into "upgrading" these buses there should be a way to maintain the current fare fees. Look at oxnard pd purchase tons of new vehicles for what reason? There old vehicles are fine. There was no need for "charges tahoes and explores" for a cop car. So then look into that instead to see where our tax money is going instead of trying to raise fees to make up for whats missing. So much taxes are charged every year, oxnard having one of the highest taxes in ventura county, so should be able to maintain oue bus fees at what they currently are. And if the bus fares do end up going up for some dum reason i expect these buses to be clean and spotless, disinfectant and no homeless smelling up the bus and making a mess at the otc while nobody does anything. Also look at how ur drivers treat us they have a job because of us and 80% of ur drivers are rude inconsiderate cold hearted people. So please look at whats truely wrong instead of trying to raise our fees.	1/22/2024 12:41 PM

Proposed Fare Adjustment

53	Why such a big leap higher in the fare?	1/21/2024 2:53 PM
54	I will still use the bus because I don't have a choice.	1/21/2024 1:41 PM
55	Yes I don't want the company raise the fare I just want the passengers to pay \$1.50 like always if the company raise the fare then I rather not pay.	1/19/2024 12:56 PM
56	Both new options show the same prices	1/19/2024 11:45 AM
57	Please do not take away Late Night Safe Rides. Price increase is fine but do not take away of the current services.	1/18/2024 11:36 PM
58	I cam understand regular bus fair but late-night proposed is ridiculous	1/18/2024 11:16 PM
59	Need to stop letting homeless wet and stink ride free	1/18/2024 8:07 PM

Q10 ¿Tiene algún otro comentario sobre el ajuste de tarifas propuesto por GCTD?

Answered: 3 Skipped: 10

#	RESPONSES	DATE
1	Me gustaría mucho si en cambio pasan mas constantemente y además hubiera una forma de llegar a la conexión de el camión que va para santa paula es decir de vineyard blvd a weels rd	1/31/2024 8:52 AM
2	Es muy caro la tarifa. Para las personas que lo usan todo los dias.	1/28/2024 3:39 PM
3	Todo esta más caro los salarios no suben pero los costos si	1/24/2024 5:20 PM

Q10 Do you have any other comments concerning GCTD's fare adjustment?

Answered: 59 Skipped: 47

#	RESPONSES	DATE
1	As long as I get the ride coupon I will be fine.	3/13/2024 9:13 AM
2	People 95 yrs should ride free	3/13/2024 9:07 AM
3	I understand your need to keep the business going. It has been a blessing for me!	3/13/2024 9:03 AM
4	printing on 31 day passes not to fade away.	3/13/2024 9:00 AM
5	Have all the students pay to ride 7 days a week!!!	3/13/2024 8:58 AM
6	Raise fares but make transfers for 3 hours	3/13/2024 8:57 AM
7	Fix lights on bus stop and 9th + C street	3/13/2024 8:55 AM
8	If a pay increase happens I better see nice buses and later endtimes	3/13/2024 8:53 AM
9	It feels like being squeezed between a hard rock and a hard place.	3/13/2024 8:46 AM
10	Porfavor sola 2 no trabajo ahorita	3/13/2024 8:43 AM
11	No	3/13/2024 8:40 AM
12	Algo elevado	3/13/2024 8:37 AM
13	Si se pudiera quedar la misma tarifa a los escolares cobrar \$0.50.	3/13/2024 8:35 AM
14	Keep the fares affordable and reasonable.	3/13/2024 8:32 AM
15	I can kid of see, everything is going up.	3/13/2024 8:29 AM
16	However there is no place to buy passes in my neighborhood. Even with the increase it is still less expensive than driving a car!	3/12/2024 4:59 PM
17	Not enough income to survive \$15,2000 a year disability. Bad for seniors unreliable late pick-ups very bad dispatch.	3/12/2024 4:55 PM
18	No corptrndo que todo es mas alto en precios	3/12/2024 4:50 PM
19	Better Driver Curtisy	3/12/2024 2:15 PM
20	Improve the stamp on all pre-paid fare cards	3/12/2024 2:08 PM
21	Better driver training and curtucy	3/12/2024 2:04 PM
22	I would pay even more for 2x 3x an hours #16 bus (Ojai)	3/12/2024 1:59 PM
23	No	3/12/2024 1:56 PM
24	No comment	3/12/2024 1:52 PM
25	Ricky Leider	2/21/2024 12:05 PM
26	I take ACCESS as the only form o f transportation	2/21/2024 12:04 PM
27	Yes you would do well to operate like on the regular bus schedule	2/21/2024 12:00 PM
28	no	2/21/2024 11:42 AM
29	No fare raise unless route 10 to Ventura Harbor/Pierpont and 10pm last.	2/21/2024 11:41 AM
30	All should pay it's not fair for 18 under and college not to pay.	2/21/2024 11:36 AM

Paper Response -Proposed Fare Adjustment

31	Make these 18 under and all college pay full fare.	2/21/2024 11:33 AM
32	It's hard to come up with \$1.50 already being on a fix income.	2/21/2024 11:29 AM
33	Ticket outlets Ojai and Ventura	2/21/2024 11:26 AM
34	More ticket outlet's	2/21/2024 11:25 AM
35	Students 18 and under should pay. All students need to pay every bit helps.	2/21/2024 11:23 AM
36	Students should pay also. No more free riders for under 18.	2/21/2024 11:21 AM
37	No todo esta vien	2/21/2024 11:12 AM
38	I think it's fair.	2/21/2024 11:02 AM
39	I have a tight budget and bills.	2/21/2024 10:59 AM
40	Bus drivers are very rude and short fused, and always late! Bus drivers should not drive unsafely like they do.	2/21/2024 9:40 AM
41	Clean buses more.	2/21/2024 8:59 AM
42	Please do not increase fare.	2/16/2024 3:51 PM
43	I am on a fixed income please don't raise the fares too much.	2/7/2024 3:53 PM
44	Would like to see higher fares translate to better restrooms facilities right now they're abysmal awful	2/7/2024 3:51 PM
45	gracias el servicio y lo amable de sus choferes	2/7/2024 3:49 PM
46	More ticket outlets in Ventura please!	2/7/2024 3:44 PM
47	No estoy de acuerdo pero no tengo otra occion	2/7/2024 3:41 PM
48	Drivers put up with a lot of dump passenger	2/7/2024 3:02 PM
49	Es una tristeza, todo sube	2/7/2024 2:54 PM
50	que esten a tiempo y que no suban tanto poriosero	2/7/2024 2:53 PM
51	Inflation hits all of us especially seniors	2/7/2024 2:50 PM
52	Some drivers are very unprofessional and argue	2/7/2024 2:49 PM
53	Pls. Do not increase the fare	2/7/2024 2:43 PM
54	Everyone is very nice and helpful	2/7/2024 2:38 PM
55	Great services provided	2/7/2024 2:34 PM
56	Get new and more vehicles	2/7/2024 2:19 PM
57	money hike to high	2/7/2024 2:15 PM
58	I fell they do there best of what they do	2/7/2024 2:12 PM
59	Unfortunately older residents on a fixed income have to adjust but would not want to lose Go Access	2/7/2024 2:09 PM



Item #10

Date: April 3, 2024

To: Board of Directors

From: Christine Feng

CFO / Assistant General Manager

Subject: Receive Update on GCTD FY 2025 Budget Assumptions

EXECTIVE SUMMARY

GCTD staff are currently working on developing a draft budget for FY 25 that will be presented to the Board in May. This executive summary provides an overview of the current budget assumptions being used for Fiscal Year (FY) 2025. The table attached to this report provides a summary of the assumptions compared to the current year.

REVENUE ASSUMPTIONS:

- 1. Passenger Fares/Operating Revenues: The FY 2025 budget assumes an increase in passenger fare revenue, attributed to fare rate adjustments, the continuation of Youth / College Ride Free reimbursements from VCTC's Local Community Transportation Operating Program (LCTOP) grant program, and additional advertising revenue.
- **2. Non-Operating Revenues**: A new fueling program for third parties to fuel at the GCTD yard is projected to contribute to non-operating revenue streams, alongside income from investments and energy/fuel credits.
- **3. TDA/LTF Local Assistance**: Based on VCTC's preliminary Transportation Development Act (TDA) estimates, the FY 2025 anticipates a slightly lower local assistance funding compared to FY 2024.
- **4. State Assistance**: State of Good Repair (SGR) and State Transit Assistance (STA) programs are expected to increase slightly. Temporary one-time flexible operating assistance under SB125 will be used to address projected budget deficit.
- **5. Federal Assistance**: Various Federal grants, including 5307 formula grants, are projected to contribute to federal assistance at the same level as prior year.

EXPENSE ASSUMPTIONS:

- 1. **Salary/Wages**: Increased workforce and the transition of the paratransit service inhouse will lead to significant increases in salary and wage expenses.
- **2. Fringe Benefits**: Corresponding increases in fringe benefits expenses are anticipated due to workforce expansion and changes in service provision.
- **3. Services**: Paratransit service contract termination will result in significantly decreased contracted service expenses. Fixed route service levels are expected to remain flat / but may also decrease slightly due to continued staffing challenges.
- **4. Materials and Supplies**: Increased demand for Demand responses vehicles' parts will lead to higher expenses in this category.
- **5. Utilities**: Rising electricity and gas costs are expected to contribute to increased utility expenses.
- **6. Casualty and Liability**: Expenses related to worker compensation and unfunded liabilities are projected to rise.
- **7. Miscellaneous**: Additional training programs for employees will lead to increased miscellaneous expenses.
- 8. **Debt Service**: Fixed schedule debt payments will remain unchanged.
- **9. TDA Contribution to Member Jurisdictions**: Minor adjustments are expected in the contribution from member jurisdictions.

RECOMMENDATION

This report is for information only.

The FY 2025 budget assumptions reflect a preliminary estimate of changes in revenues and expenses, while considering our operational needs and compliance requirements. GCTD's FY 25 budget will leverage various funding sources and implement cost-effective measures to ensure financial stability and sustainably serve its communities.

General Manager's Concurrence

Vanessa Rauschenberger

GOLD COAST TRANSIT DISTRICT

FY 2025 OPERATING BUDGET ASSUMPTIONS

REVENUES	FY 2024 Approved Annual Budget	FY 2025 Budget Assumption (Key Factors)	FY 25 Change
Passenger Fares	\$ 2,837,905	Farebox revenue increases due to fare increase	1
		LCTOP (youth ,college ride free)	1
		Advertising Revenue	1
Non- Operating Revenues	\$ 576,010	Fueling program for 3rd parties at GCTD	New
		Investment Income	1
		Energy credit/Fuel Credit	↓
Local Assistance (TDA/LTF)	\$ 21,382,371	TDA funding is slightly lower than FY 2024	Ţ
State Assistance	\$ 2,322,000	SB125 Operating Assistance *one time funding	New
		SGR, STA	1
Federal Assistance	\$ 10,053,144	5307 Formula - Preventative Maintenance	1
		5307 Formula - Cost of Contracting	1
		5307 Formular - Operating Assistances	1
Total Revenues	\$ 37,171,430	Overall Revenues	1

EXPENSES	024 Approved nual Budget	FY 2025 Budget Assumption (Key Factors)	FY 25 Change
		Bring paratransit service in house, add more	1
Salary/Wage	\$ 12,347,278	employees, salaries will be increased significantly	_
Fringe Benefits	\$ 9,197,663	Bring paratransit service in house, more employees, employees' benefits will be increased significantly	1
Services	\$ 5,927,526	MV contract service will be ended in Sept 2024, contract service expenses will be decreased by \$4.5 million, offset by increase in salary and benefit costs, resulting in approximate savings of \$800K	1
Materials and Supplies	\$ 3,657,517	Paratransit vehicle parts increase	1
		CNG rate remain stable, Fuel use increase	1
Utilities	\$ 330,729	Electricity and Gas cost will increase	1
Casualty and Liability	\$ 1,591,804	Worker compensation expenses increase	1
		District's unfunded liabilities increases	1
		Addition of training opportunities / professional	•
Miscellaneous	\$ 719,001	development for employees to sharpen skills	
Debt Service	\$ 1,384,812	Fixed schedule payment. No change.	
5 Members Jurisdiction TDA Contribution	\$ 2,015,100	Slight increase due to CPI.	1
Total Expenses	\$ 37,171,430	Overall Expenses	1



DATE April 3, 2024 Item #11

TO GCTD Board of Directors

FROM Vanessa Rauschenberger, General Manager[™]

SUBJECT Discuss Future Agenda Items

SUMMARY

It is recommended that the Board of Directors provide input to staff on future agenda items that they would like staff to review and/or report on in a future meeting.

FUTURE AGENDA ITEMS

Below are some of the future agenda items planned. To help staff prioritize timing of reports, staff seeks input on these items or other items that the Board is interested in discussing.

Future Agenda Items

- Short Range Transit Plan
- FY 25 Budget Assumptions & Draft Budget
- Demand Response Transition Plan
- Redevelopment of 301 Property
- Other Items?

Future Routine Items

- Monthly Financial Statements & Procurement Reports
- Monthly Operations & Maintenance Update
- Quarterly Fixed-Route & Paratransit Performance Reports
- Bi-Annual Service Plan & Outreach Updates

CONCLUSION

It is recommended that the Board of Directors provide input to staff on future agenda items that they would like staff to review and/or report on in a future meeting.