GOLDCOAST TRANSIT

OXNARD, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2024

(With comparable amounts from June 30, 2023)

OJAI | OXNARD | PORT HUENEME | VENTURA | COUNTY OF VENTURA

GOLD COAST TRANSIT DISTRICT

OXNARD, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

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(With Comparable Amounts from June 30, 2023)

Submitted by:
Vanessa Rauschenberger, General Manager
Christine Feng, Chief Financial Officer/Assistant General Manager

GOLD COAST TRANSIT DISTRICT
For the Fiscal Year Ended June 30, 2024
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Introductory Section

November 6, 2024

Letter of Transmittal
Gold Coast Transit District
Oxnard, CA

Members of the Board and Community:

We are pleased to present GCTD's FY 2024 Annual Comprehensive Financial Reports. The State of California requires the Gold Coast Transit District (GCTD) to prepare annual financial statements in accordance with generally accepted accounting principles (GAAP). The financial statements are then audited by independent certified public accountants.

The Annual Comprehensive Financial Report is designed to provide a complete financial picture of the agency and includes the independent auditors' report, a management discussion, the audited financial statements as well as supplementary information including budget results and statistical information. The preparation of this report was made possible by hard work of GCTD's Financial Department staff, led by Chief Financial Officer/Assistant General Manager, Christine Feng, who leads the team to improve and streamline our processes, providing financial guidance to all departments. Readers desiring an analytical overview of the basic financial statements or the Transportation Authority's financial activities may refer to the Management's Discussion and Analysis in the Financial Section.

Management assumes sole responsibility for the information contained in this report, including its presentation and the adequacy of its disclosures. To the best of our knowledge, this report is complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect the District's assets from loss, to identify and record transactions accurately and to compile the information necessary to produce financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not exceed the likely benefits, the District's internal control system intends to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

To test the performance of the internal control system, the District contracted independent auditing services from Conrad LLP, a certified public accounting firm licensed to practice in the State of California. The auditor expressed an opinion that the District's financial statements are fairly stated in all material respects and in compliance with accounting principles generally accepted in the United States. This conclusion is the most favorable kind and is commonly known as an "unmodified" or "clean" opinion.

As an organization we continue to use available resources to fulfill our mission to provide service to the community. Some noteworthy highlights during FY 2024 include:

Ridership Recovery
This past year, GCTD continued its focus on its core mission by delivering over 3.6 million passenger trips in western Ventura County on our fixed-route and flexible services. Transit continues to be an essential part of providing access to opportunities and improving quality of life for all in the cities we serve, including Ojai, Oxnard, Port Hueneme, Ventura, and the County of Ventura. GCTD ended the fiscal year with an increase of 20% in ridership over the previous year. This is largely attributed to the success of *Youth Ride Free*, Ventura County's new promotional free fare program. Launched in August of 2022, the program provides free rides to youth 18 years old and under, or older youth currently enrolled in high school.

Flexible Services
GCTD expanded its successful Late Night Safe Rides Program with the launch of Sunrise Safe Rides, an early morning demand-response service operating from 4:30 AM – 7:00 AM, when other traditional modes of transit are unavailable. The program was rebranded to *Safe Rides: Morning and Night Transportation*, to reflect this expansion into early morning hours. Since its launch, the program has steadily increased in ridership, mostly transporting riders to early morning medical appointments including Dialysis, as well as employees working an early shift. This service is grant funded.

GCTD's pilot microtransit program, *GO Now,* completed its first year of operation. During this time, we transitioned app providers to improve the rider experience and enhance backend management. The service continues to experience some challenges, with lack of widespread adoption of this new app-based service model. A total of 2,556 passengers have been provided in this first year, with an average monthly ridership of 213 boardings in FY 2024. GCTD has grants funds for this project through December 2025.

Workforce Enhancements
Recognizing the importance of equity and competitive compensation in attracting and retaining top talent, GCTD commissioned a comprehensive salary study. This assessment helped us benchmark our compensation against industry standards, identified disparities and areas for improvement, leading to the development of a new wage table and subsequent adjustments for employees. These changes have not only boosted employee morale but also enhanced the agency's ability to recruit skilled professionals, ensuring a more efficient and effective workforce.

Finalization of a New Union Contract
GCTD led successful negotiations with the agency's largest labor union, Service Employees International Union (SEIU) Local 721, resulting in the finalization of a new three-year union contract. The contract reflects a fair and balanced approach, addressing critical worker concerns while maintaining fiscal responsibility. Through mutual collaboration, attention to detail, and diligent work, GCTD secured a contract that benefits both the employees and the agency. This achievement will contribute to increased stability, workforce satisfaction, and continued operational excellence.

Fare Increase
Over the last year, GCTD 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. GCTD last implemented an adjustment to the base fare structure in 2011. In January, with Board approval, GCTD launched a public education campaign which included a public survey, community meetings and events, and a public hearing. After careful analysis, GCTD staff proposed a change to the base fare, increasing it from $1.50 to $2.00, and increases to all other fare categories. The Board approved this proposal, and a fare increase was implemented on July 7, 2024.

Other Revenue Generation Efforts
GCTD took a creative approach to leveraged it resources to generate more revenue in support of its services. With FTA approval to utilize the GCTD facility for incidental use, GCTD entered into an agreement with the City of Oxnard to fuel their fleet of CNG refuse vehicles. In the absence of a city-owned CNG fueling station, GCTD identified this as an opportunity to support the city's clean approach to waste management and generate additional revenue for our agency. To date, this has been a successful partnership that has been mutually beneficial for both parties.

Integration of Paratransit and Flexible Services
This year, GCTD approached the end of its base contract with MV Transportation Inc. the operator of GCTD's Paratransit and Flexible services. To achieve fiscal savings and streamlined operations, including better utilization of GCTD's facility, staff explored various options for operating demand response services. Staff met with a Board-approved Ad Hoc Committee to provide background information, discuss options for consideration, and collect feedback. After reviewing alternatives, the Ad Hoc Committee expressed a preference to transition the service to be directly operated. Subsequently, the Board of Directors approved this recommendation. Over the course of 9 months, GCTD staff worked diligently to prepare for this transition. It was a multi-disciplinary effort, requiring work from all departments including Human Resources, Operations and Maintenance, Planning, Finance, and IT. On September 29, 2024, with the addition of 40 new demand-response employees, GCTD successfully transitioned the operations to its facility.

Zero Emissions Transition Planning
In October 2023, issued an RFP for the design, build and maintenance of a Hydrogen Fuel Station. The station will be funded by an FTA Low or No Emissions grant aimed at supporting the District's and California Air Resources Board goal of transitioning transit fleets to zero emissions by 2040. Over the last year, staff has meet weekly to plan for this historic project and prepare accordingly. In November, the GCTD Board of Directors approved an award for the Build, Design, and Maintenance Services to Clean Energy in the amount of $10,867,479.

I want to recognize the incredible work and outstanding accomplishments here at GCTD, made possible by our dedicated employees and the support of our Board of Directors and community partners. We look forward to new opportunities that will continue to make GCTD an even better place to work and, more importantly, guarantee the safe and efficient delivery of our mission – one ride at a time.

Sincerely,

Vanessa Rauschenberger
General Manager

Christine Feng
Chief Financial Officer/ Assistant General Manager

Gold Coast Transit District

Board of Directors – June 30, 2024

Mike Johnson, Chair
Councilmember, City of Ventura

Martha McQueen-Legohn, Vice Chair (Term started January 2023)
Councilmember, City of Port Hueneme

Bryan A. MacDonald, Director
Mayor ProTem, City of Oxnard

Matt LaVere, Director
Supervisor, 5th District, County of Ventura

Rachel Lang, Councilmember (Term started January 2023)
Councilmember, City of Ojai

GOLD COAST TRANSIT DISTRICT
ORGANIZATIONAL INFORMATION

About Us

Gold Coast Transit District (GCTD) provides public fixed-route and paratransit service in the cities of Ojai, Oxnard, Port Hueneme, and San Buenaventura, and the unincorporated areas of Ventura County. With 3.6 million passenger trips provided in FY 2024, GCTD is the largest public transportation operator in Ventura County. The fleet includes 69 buses, all powered by clean natural gas supplied by an on-site CNG fueling station and 27 paratransit vehicles with 80% powered by natural gas.

Our Mission

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

History

GCTD was founded in 1973 (originally named "South Coast Area Transit") when the cities of Ojai, Oxnard, Port Hueneme, and San Buenaventura executed a Joint Powers Agreement that created "SCAT" to develop and operate local and intercity public transportation in western Ventura County.

Prior to 1973, Ventura Transit City Lines operated local service in San Buenaventura and Ojai, and Oxnard Municipal Bus Lines served Oxnard and Port Hueneme. Following a national trend, the bus systems that flourished through the mid-century began to decline in the 1960's. The outlook for public transit systems in California brightened in 1971 when the State Legislature created a source of dedicated transportation funding through passage of the Transportation Development Act (TDA). The availability of TDA funds to local governments provided an impetus for forming a single regional transit entity to operate coordinated transit services across municipal boundaries and in some unincorporated areas of western Ventura County. The County of Ventura joined SCAT in October of 1977. By February of 1980 the transit functions in western Ventura County were consolidated into a single administrative, operating and maintenance facility on a three-acre site at 301 East Third Street in Downtown Oxnard.

In the 1990's, SCAT began operation of ACCESS, a regional paratransit service providing curb-to-curb transportation for people with disabilities and senior citizens.

In June 2007, SCAT's Joint Powers Agreement was amended to rename the agency from South Coast Area Transit to Gold Coast Transit. The change in name was intended to help distinguish the agency from the 11 other agencies named SCAT around the nation and to better connect the service to the community it served.

In October 2013, Governor Brown signed into law Assembly Bill (AB) 664, which formed the Gold Coast Transit District. The district legislation was initiated in response to Senate Bill (SB) 716, which required that all TDA funds in Ventura County be used solely for public transit purposes. Formation of a transit district allows GCTD's Board of Directors and staff to have greater flexibility in implementing service improvements by looking beyond jurisdictional borders in order to meet the public's transit needs efficiently and effectively.

In 2014, GCTD was named Small Agency of the Year by the California Transit Association. In 2015, GCTD unveiled a new logo and bus paint scheme to coincide with the purchase of replacement buses. The new colors reflect GCTD's commitment to quality public transportation, and evokes the agency's vision of a more modern, clean, and efficient future.

In 2019, the District opened the new 15-acre Administration and Operations Facility at 1901 Auto Center Drive in Oxnard that will allow GCTD to better meet the growing transit needs of the community.

In 2020, the District responded to the global COVID 19 Pandemic, maintained service and implemented safety measures to keep passengers and employees safe.

In 2023, the District celebrated its 50th anniversary.

In July 2024, the District implemented a fare increase for the first time in over a decade, and in a historic move, transitioned its Paratransit and Flexible Services from a contract model, to directly operated, adding over 40 new employees to the agency.

Statistics

Service Area: Cities of Ojai, Oxnard, Port Hueneme, and San Buenaventura (Ventura) as well as the County of Ventura

Population Served: 431,144

Total System Annual Passengers: (FY 2024) 3.6 million

- 61 - fixed-route buses
- 27 - paratransit buses and vans

Fuel Type: 100% Compressed Natural Gas (CNG) for Fixed-Route, and 80% Natural Gas for Demand Response

Board of Directors

GCTD is governed by a Board of Directors. Each of GCTD's five-member agencies appoint one elected official from its governing body to serve on the Board of Directors and a second to serve as an alternate member. The Board of Director's regular monthly meetings are held on the first Wednesday of each month at 10:00 a.m.

GCTD's Leadership

GCTD's General Manager is appointed by, and reports to, the Board of Directors (Board). The General Manager is charged with carrying out the Board's policies and directives and has full charge of the operation of GCTD's services, facilities, and administration of business affairs. GCTD's Management Team for FY 2024 was comprised of:

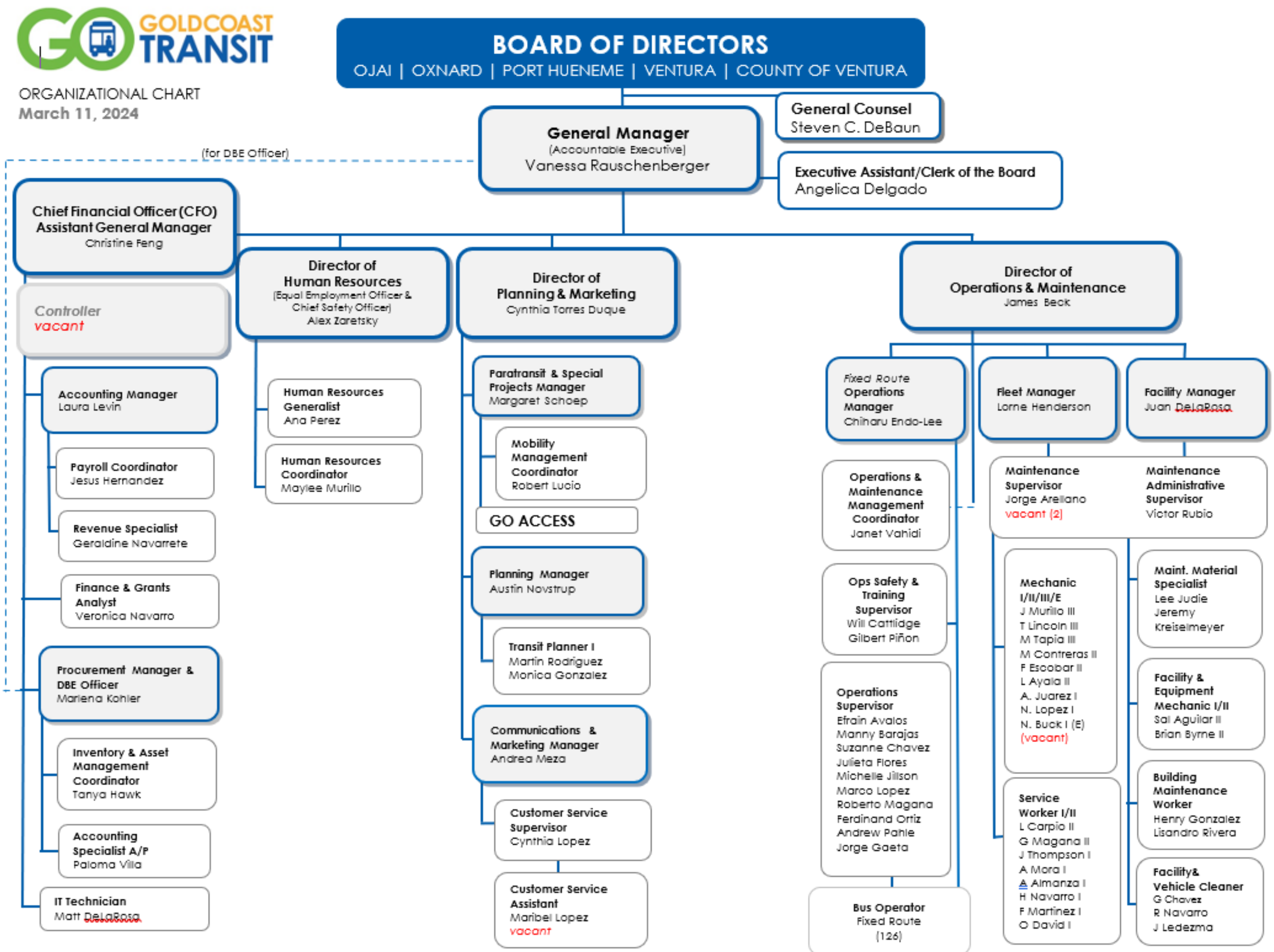
- General Manager - Vanessa Rauschenberger
- Chief Financial Officer / Assistant General Manager – Christine Feng
- Director of Operations & Maintenance – James Beck
- Director of Planning & Marketing – Cynthia Torres-Duque
- Director of Human Resources – Alex Zaretsky

Employees

GCTD has 200 employees, the majority of whom operate or maintain buses. Service Employees International Union Local 721 represents all bus operators, most maintenance employees, and five administrative staff members. International Brotherhood of Teamsters Local 186 represents all supervisors. GCTD contracts with MV Transportation for the maintenance and operation of ACCESS Paratransit.

GOLD COAST TRANSIT DISTRICT

ORGANIZATIONAL CHART



BUS SYSTEM MAP

Financial Section

NIGRO & NIGRO PC
A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT

Board of Directors
Gold Coast Transit District
Oxnard, California

Opinion
We have audited the accompanying financial statements of the Gold Coast Transit District (District), which comprise the balance sheets as of June 30, 2024, and related statements of revenue, expenses, and changes in net position, and cash flows for the years then ended, and 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 District as of June 30, 2024, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit 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 Agency 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.

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 Agency'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.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA

MURRIETA OFFICE 25220 Hancock Avenue, Suite 400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
WALNUT CREEK OFFICE 2121 N. California Blvd. Suite 290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444
www.nncpas.com • *Licensed by the California Board of Accountancy*

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. 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.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions – Pension Plan, Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios 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.

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The Schedules of Changes in Local Transportation Funding Activity of the District is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Prior-Year Comparative Information
The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2023, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards,* we have also issued a separate report dated November 6, 2024, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency'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* in considering the Agency's internal control over financial reporting and compliance.

Nigro & Nigro, PC

Murrieta, California
November 6, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

JUNE 30, 2024

The following Management’s Discussion and Analysis (MD&A) of activities and financial performance of Gold Coast Transit District (GCTD, or the District) introduces the basic financial statements of GCTD for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here, the transmittal letter in the Introductory Section, and the statements and related notes in the Financial Section.

ACTIVITIES AND HIGHLIGHTS

GCTD provides bus and paratransit services in Ojai, Oxnard, Port Hueneme, Ventura, and unincorporated Ventura County. The service area is approximately 91 square miles, with a population of approximately 431,114.

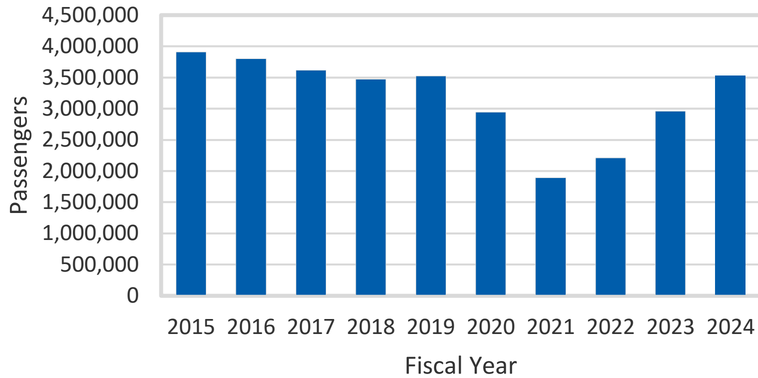
GCTD owns 88 revenue vehicles, primarily fueled with clean-burning compressed natural gas (CNG) from GCTD's fueling station. In FY 2024, GCTD vehicles carried approximately 3.6 million passengers while traveling over 2.1 million miles in revenue service.

GCTD operates a fleet of 61 fixed-route buses. In FY 2024, GCTD fixed-route buses operated 2,063,035 miles of revenue service and provided 3,523,508 passenger boardings, an increase of 19% and over 500,000 trips from the previous year.

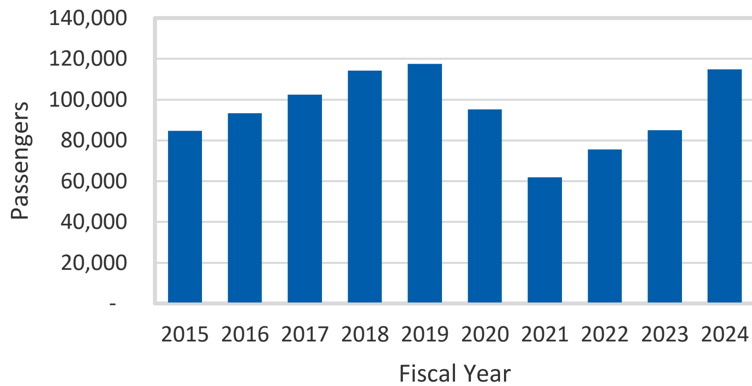
In FY 2024, the ACCESS paratransit system traveled 855,651 miles of revenue service and provided 117,470 trips for passengers, an increase of 38.2% from the previous year. The GCTD ACCESS service operated under a contract with MV Transportation, Inc through the end of the fiscal year, and transitioned to be directly operated by GCTD on September 29, 2024. The paratransit fleet, which consists of 27 vehicles, including 13 MV1 vans, 5 gasoline Ford Transit vans, 8 cutaway vans, and 1 electric van, is owned by GCTD.

	Revenue Miles	2024	2023	% Change
Fixed Passenger Route	2,063,035	3,530,560	2,958,434	19.3%
ACCESS Paratransit One-Way Trips	855,651	114,914	84,992	35.2%
Total Boardings		3,645,474	3,043,426	19.8%

Fixed Route Bus Ridership- Unliked Passenger Trips from FY2015 to FY2024



Access Paratransit Ridership- One Way Trips from FY2015 to FY2024



GCTD differs from most transit operations in Southern California as it provides transit services without any direct local sales tax measure, tax levy, or dedicated general fund support. The primary funding source available to GCTD for supporting transit services has historically been the Local Transportation Funds (LTF) from a quarter-cent state sales tax provided by the Transportation Development Act (TDA) of 1974.

In FY 2015, Gold Coast Transit, a joint powers authority (JPA), became Gold Coast Transit District as the result of state legislation. As a transit district, GCTD directly receives all LTF funds allocated to its member jurisdictions. GCTD's enabling legislation also allows GCTD members to claim from the District a portion of its LTF funds for transit services (not provided by the District) that the member funds or operates. In FY 2024, GCTD received $21,382,371 in gross LTF funding and provided its members with $2,015,096 in net LTF funding.

GCTD's second largest source of operating revenue is the Federal Transit Administration (FTA) grants. Under Federal Section 5307, public transit systems in Urbanized Areas (UZA) receive funding for capital, planning, job access, reverse commute projects, and operating expenses. The allocation of these grants is done based on a federal formula. Section 5307 is a federal program that provides funds for GCTD's operating activities. In fiscal year 2024, GCTD received $9,597,395 from the FTA Urbanized Area Formula Program (§5307). Of this amount, $2,234,700 was utilized for capital expenses, replacing 4 CNG buses, and $7,362,695 was eligible for operating and preventative maintenance activities. GCTD also received $833,352 from the CARES Act Urbanized Area Program Funds (§5307) and $113,100 from the American Rescue Plan (ARP) Act Route Planning Restoration Program funding is available through a discretionary process to eligible recipients or subrecipients of Urbanized Area Formula funds (§5307). GCTD expended $72,000 from the FTA Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (§5310).

Grants for Buses and Bus Facilities Formula Program 5339 provides funding based on a formula to replace, rehabilitate, and purchase buses and related equipment and construct bus-related facilities. In addition to the formula allocation, there are two discretionary components: the Bus and Bus Facilities Discretionary Program and the Low or No Emissions Bus Discretionary Program. GCTD had eligible expenses of $446,160.

Another revenue source for GCTD is State Transportation Assistance (STA). It is an important funding source for other transit priorities in Ventura County, such as Metrolink and Ventura County Transportation Commission (VCTC) Intercity Transit. In fiscal 2023-24, GCTD received STA funds $350,687 to support operating activities.

GASB STATEMENTS NO. 68

The Governmental Accounting Standards Board (GASB) is an independent, nonprofit, non-governmental regulatory body charged with setting accounting and financial reporting standards for state and local governments. Beginning with FY 2015, GASB Statements No. 68 required agencies to report their net pension liability in accrual-based basic financial statements. This is distinctly different than previous methods in which funding and accounting were aligned. Please note that these standards only impact on the accounting and financial reporting of pension obligations for governmental employers; pension contribution rates and funding requirements are not impacted.

GCTD employees are covered by a California Public Employees Retirement System (CalPERS) pension plan. GCTD's net pension liability at June 30, 2024, is $17,470,234.

Note 10 to the basic financial statements addresses the GASB Statements No. 68 requirements in substantially greater detail.

GASB STATEMENT NO. 75

GCTD provides retiree healthcare benefits for employees who retire with CalPERS pension benefits immediately upon retirement from the District. GCTD pays the minimum employer contribution amount prescribed by the Public Employees Medical and Hospital Care Act (PEMHCA). The District pays a portion of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. Retirees pay the portion of the premium not paid by the District. For context, in 2023, GCTD pays $151.00 per month per retiree.

In 2013, GCTD joined the California Employers' Retiree Benefit Trust (CERBT) Fund, a Section 115 trust fund managed by CalPERS dedicated to prefunding Other Post-Employment Benefits (OPEB) for all eligible California public agencies. GCTD has invested in CERBT each year an amount to maintain a zero net liability in accordance with the actuarial calculation required under GASB Statements No. 43 and No. 45. As of June 30, 2024, GCTD's investment in CERBT was valued at $802,833.

Beginning with the FY 2018 fiscal year, public agencies are required to report OPEB liabilities in accordance with GASB Statement No. 75. The new GASB statements require public agencies to recognize a liability for OPEB obligations, known as the net OPEB liability (NOL), on the Statement of Net Position, and to recognize an OPEB expense on the Statement of Activities and Changes in New Position. This is very similar to what is now required under GASB Statements No. 67 and No. 68 for pensions. GCTD's NOL at June 30, 2024 is $1,540,411.

Note 4 to the basic financial statements addresses the GASB Statements No. 75 requirement in substantially greater detail.

GASB STATEMENT NO. 87

Gold Coast Transit District (GCTD) is required to implement GASB Statement No. 87, Leases for the year ended June 30, 2024.

In June 2017, GASB issued Statement No. 87, Leases (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. Implementation of this Statement significantly affected GCTD's financial statements for the year ended June 30, 2023.

GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial assets as specified in the contract for a period in an exchange or exchange-like transaction. GASB 87 applies to all contracts meeting this lease definition unless specifically excluded.

GCTD entered into a lease with the City of Oxnard for the Customer Service Center located at 201 E. Fourth Street, Suite 103A, on December 6, 2016. The lease term is January 1, 2017 – December 31, 2026. The base rent started the term at $997.14 per month. There is an annual rate adjustment beginning in October 2019 equal to the Consumer Price Index (CPI-U) for the Los Angeles-Riverside-Orange County California area as published by the United States Department of Labor, Bureau of Labor Statistics for each twelve (12) month period provided that no annual increase will be greater than three percent (3%).

A second lease with the City of Oxnard for the term of September 1, 2019 – August 31, 2022, for the Bus Operator breakroom at 201 E. Fourth Street, Suite 206B on August 5, 2019. An extension of the lease was executed through August 31, 2025. The base rent at the start of the term was $468.00 per month. There is an annual rate adjustment beginning in October 2019 equal to the Consumer Price Index (CPI-U) for the Los Angeles-Long Beach-Anaheim California area as published by the United States Department of Labor, Bureau of Labor Statistics for each twelve (12) month period provided that no annual increase will be greater than five percent (5%).

Note 8 to the basic financial statements addresses the GASB Statements No. 87 requirement in substantially greater detail.

GASB STATEMENT NO. 96

Gold Coast Transit District (GCTD) is required to implement GASB Statement No. 96, agreements for the year ended June 30, 2024.

In June 2020, the Governmental Accounting Standards Board (GASB) released Statement No. 96, Subscription-Based Information Technology Arrangements (GASB Statement No. 96); the objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

To apply this statement, it is important to understand that a SBITA refers to a contract that grants control over the use of another party's IT software, either alone or in conjunction with tangible capital assets (known as the underlying IT assets). This control is granted for a specified period of time, as outlined in the contract, as part of an exchange or exchange-like transaction. It should include two key elements to determine whether a contract grants control over the right to use an underlying asset. First, the contract must specify the right to access the current service capacity through the use of the IT assets in question. Second, the contract must also specify the right to determine the nature and manner in which the IT assets are used.

The Gold Coast Transit District has four different SBITAs related to transit operations and HR management. These agreements require annual payments for a contracted amount, with remaining terms ranging from 24 to 60 months. To calculate the present value of the SBITA payable and right-to-use asset, an annual interest rate of 2.5% was assumed as the District's incremental borrowing rate.

GCTD entered into an agreement with Vector Solutions for Human Resources Training. Vector Solutions is 4890 W. Kennedy Blvd., Suite 300, Tampa, FL 33609. The term of the agreement is from July 01, 2022, to June 30, 2025, with an annual fee of $7,296. The fee will increase by 3% each year.

GCTD entered into an agreement with Ecolane for Paratransit Scheduling and Dispatch Software. Located at 940 West Valley Road, Suite 1400, Wayne, PA 19087. The agreement term is July 01, 2022 – June 30, 2028. The annual payment is $28,056.43.

GCTD entered into an agreement with Remix for the license of Planning and Marketing Planning Software. Located at 155 9th Street, San Francisco, CA 94103. The agreement term is from June 01, 2022, to May 30, 2024. For the first year, an annual fee of $8,500, second year $9,500 and third year $10,500.

GCTD entered into an agreement with Urban Transportation Associates, Inc. (UTAAPC) for Planning and Marketing Software Service Agreement located at 4240 Airport Road, Cincinnati, Ohio 45226, on June 30, 2022. The agreement term is January 1, 2023 – January 1, 2027. The annual fee is $17,500.

Note 20 to the basic financial statements addresses the GASB Statements No. 96 requirement in substantially greater detail.

FINANCIAL POSITION SUMMARY

GCTD's total net position for FY 2024 is $40,054,213 a 4.53% decrease from last year's net position of $41,956,151.

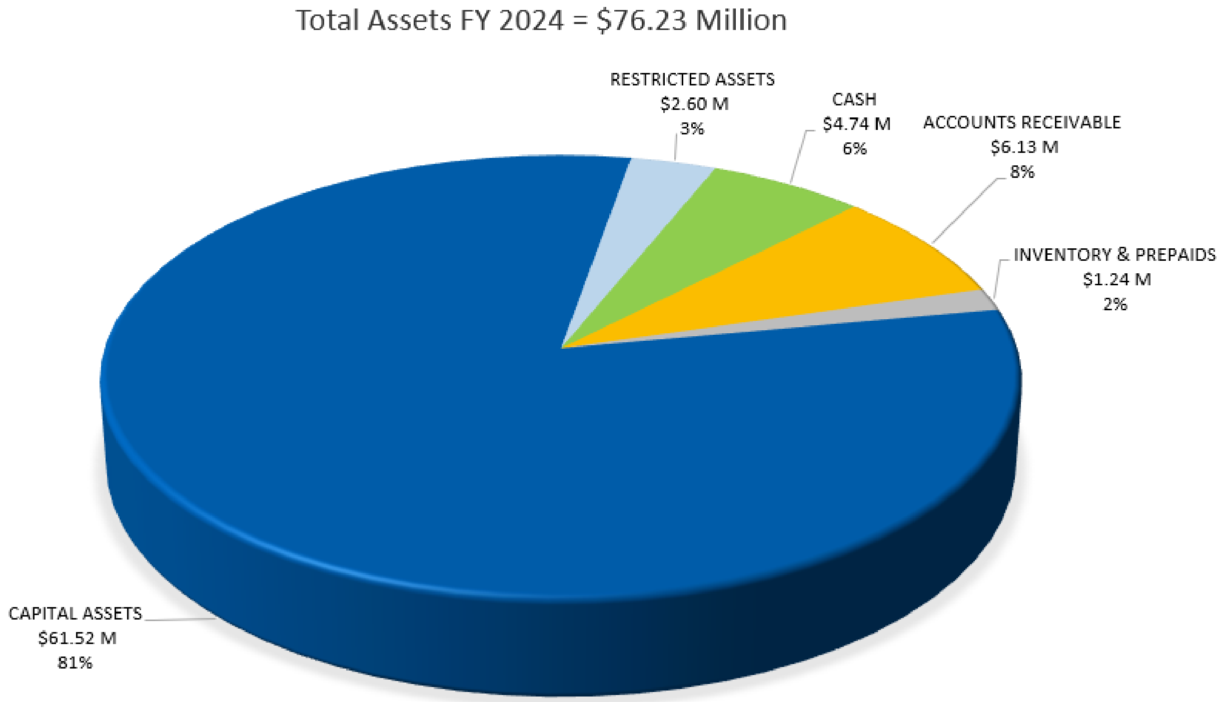
Condensed Balance Sheets

	6/30/2024	6/30/2023
		(As Restated)
Assets		
Current Assets	$ 12,111,656	$ 12,431,821
Capital Assets (Net)	61,519,139	62,311,614
All Other Assets	2,601,393	2,533,632
Total Assets	76,232,188	77,277,067
Deferred Outflows of Resources	8,868,085	9,692,621
Total Assets and Deferred Outflows of Resources	$ 85,100,273	$ 86,969,688
Liabilities		
Current Liabilities	$ 3,848,147	$ 3,645,425
Non-Current Liabilities	39,673,414	39,854,316
Total Liabilities	43,521,561	43,499,741
Deferred Inflows of Resources	1,524,499	1,513,795
Net Position		
Net Investment in Capital Assets	40,363,153	40,589,914
Restricted for capital acquisitions	2,799,978	2,746,970
Restricted for proceeds from bond issuance debt covenant	2,601,393	2,491,956
Unrestricted (Deficit)	(5,710,311)	(3,872,689)
Total Net Position	40,054,213	41,956,151
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 85,100,273	$ 86,969,687

The most significant portion of GCTD's ***net position*** is its net investment in capital assets, such as buses, buildings, improvements, and equipment. GCTD uses these capital assets to provide services to its passengers; consequently, these assets are not available for future spending.

Restricted net position refers to funds set aside or specifically awarded to fund the purchase of future capital projects and transit vehicle acquisitions. The remaining *unrestricted deficit net position* is primarily the result of the net pension liability and related deferred inflows and outflows of resources recorded in accordance with GASB Statement No. 68 requirements.

The following chart shows GCTD's total assets by percentage:



GCTD PASSENGER FARES

Passenger fares are set by the Board of Directors (Board) and changed when determined necessary by the Board. The most recent fare increase was approved during FY 2010 when the Board of Directors approved a two-phase fare increase. The first phase took effect on January 24, 2010, and the second phase took effect on August 21, 2011. The base cash fare for GCTD fixed-route buses is $2.00. By policy, the paratransit fare is automatically set at twice the amount of the fixed route fare, or $4.00.

As of June 30, 2024, youths (up to the age of 18) are allowed to ride for free.

GCTD last restructured its fare schedule in July 2024. GCTD's FY 2024 fare structure is as follows:

GCTD FIXED ROUTE FARES			
Cash Fares (One Way)	**Fare Amount**	**Multi-Ride Ticket or Monthly Pass**	**Fare Amount**
Adult	$ 1.50	Adult:	
Youth (through age 18) Free	$ 1.50	15-Ride	$ 20.00
Seniors (65-74 years of age with GCTD ID or proof of age)	$ 0.75	31-Day Pass	$ 50.00
Medicare (with Medicare Card)	$ 0.75	Youth:	
Disabled (ADA card or GCTD ID)	$ 0.75	15-Ride	$ 15.00
Seniors 75+ (with GCTD ID or proof of age)	Free	31-Day Pass	$ 40.00
Children under 45" tall (when accompanied by paid fare)	Free	Reduced Fare (Senior/Disabled)	
Day Pass (One-Day/Unlimited Boardings)	$ 4.00	15-Ride	$ 10.00
Day Pass for Seniors/Medicare/Disabled	$ 2.00	31-Day Pass	$ 25.00
Late Night Safe Ride	$ 2.00		
GCTD ACCESS (Paratransit) FARES			
Cash Fares (One Way)		**Multi-Ride Ticket or Monthly Pass**	
ADA Certified or Senior	$3.00	Book of Ten Tickets - ADA Certified or Senior	$30.00
Senior Nutrition (registered with County program)	Donation		

FINANCIAL OPERATIONS HIGHLIGHTS

In FY 2024, GCTD operating revenues increased by 1.35% from $3,384,914 to $3,430,505 while passenger boardings increased by 19.3% from FY 2023. This is due to the program -“youths ride free”. However, fixed route revenues decreased by 14.8% or $311,720. Additionally, the paratransit fare revenues increased by 82.8% or $153,631 in FY 2024, with a 35.2% increase in passenger boardings. The decrease in operating revenues was primarily due to a 18.43% decrease in advertising revenue from $306,538 to $250,057 and a 33.24% increase in other revenues (Alternative Fuel exercise tax credit and energy credits) from $782,721 to $1,042,882.

California regulations require that a transit service claimant for TDA funds have a system-wide ratio of fare and local revenues to operating cost of at least 20% or that the claimant realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. In July 2021, Governor Newsom signed State Assembly Bill 149 (AB149). AB149 temporarily protects transit agencies against financial penalties for not making its FRR Target due to the pandemic through Fiscal Year 2023. AB149 also includes several permanent changes to the FRR calculation. These changes benefit transit agencies and exclude certain costs related to demand response and Microtransit services, security expenses, ticketing improvements, and government mandates. AB149 also allows the exclusion of costs for new or significantly altered routes. If the FRR target is still not met after the above cost exclusions, AB149 includes additional provisions that allow for free and discounted fares to be valued at full fare and for the inclusion of all non-state grant revenue in the FRR calculation. GCTD achieved its mandated minimum fare box recovery ratio of 20% combined for FY 2024, with fixed route and paratransit both at 20%.

Operating loss before depreciation increased $2,613,234 or 11% from $28,376,485 to $30,989,719. The most significant factors for the increase were higher employee benefit costs, including the Federal Insurance Contribution Act (FICA), pensions, long-term disability, life insurance, workers' compensation, sick leave, and health insurance.

Condensed Statements of Activities and Changes in Net Position

	2024	2023	$ Change
Operating Revenues	$ 3,430,505	$ 3,384,914	$ 45,591
Operating Expenses	(34,420,224)	(31,761,399)	(2,658,825)
Operating Loss Before Depreciation	(30,989,719)	(28,376,485)	(2,613,234)
Depreciation	(3,801,267)	(3,630,346)	(170,921)
Operating Loss	(34,790,986)	(32,006,831)	(2,784,155)
Non-Operating Revenues/(Expenses), Net	32,889,048	27,723,505	5,165,543
Change in Net Position	(1,901,938)	(4,283,326)	2,381,388
Net Position, as Restated Beginning of Year	41,956,151	46,239,477	(4,283,326)
End of Year	$ 40,054,213	$ 41,956,151	$ (1,901,938)

REVENUES

A summary of revenues for the year ended June 30, 2024, which includes the change from the prior year, is as follows:

	2024	Percentage of Total	2023	Percentage of Total
Operating Revenues				
Fixed Route Passenger Fares	$ 1,798,373	4.58%	$ 2,110,093	6.24%
Paratransit Fees	339,193	0.86%	185,562	0.55%
Advertising	250,057	0.64%	306,538	0.91%
Other Operating	1,042,882	2.66%	782,721	2.31%
Total Operating Revenues	3,430,505	8.75%	3,384,914	10.00%
Non-Operating Revenues				
Local Transportation Funds, net	21,382,371	54.51%	20,832,196	61.57%
Federal Grants	11,062,007	28.20%	7,745,225	22.89%
State Funding	2,555,522	6.52%	1,397,759	4.13%
Other and Investment	792,893	2.02%	474,515	1.40%
Total Non-Operating Revenues	35,792,793	91.25%	30,449,695	90.00%
Total Revenues	$ 39,223,298	100.00%	$ 33,834,609	100.00%

OPERATING REVENUES

Fixed Route Passenger Fares

Passenger fare revenues for fixed route bus service decreased $311,720 from FY 2023 to FY 2024

Paratransit Fares

Paratransit fare revenues increased by $153,631 or 82.8% due to an increase of ridership in the Demand Response program. GCTD's FY 2024 boardings for paratransit service increased 35.2% from FY 2023.

Note: To provide relief to transit operators, the State of California has suspended enforcement of the California regulations that require that a transit service claimant for TDA funds have a system-wide ratio of fare and local revenues to operating cost of at least 20% or that the claimant realize a fare box recovery ratio (FBRR) of 20% for fixed route passenger service and 10% for paratransit service. GCTD Met both fare box recovery ratios with 20% for fixed route and 20% for paratransit. The combined fare box ratio was 20%.

ADVERTISING INCOME

GCTD has been selling commercial bus advertising since FY 2007 and continues attracting advertising contracts from local and national entities. In the fiscal year 2024, GCTD generated $250,057 in advertising revenues, 18.4% less than the previous year. Despite the decline, GCTD is optimistic about the growth of advertising revenue in the future.

Other Operating Revenue

Alternative Fuel Excise Tax Credit
GCTD has received funds from the federal Alternative Fuel Excise Tax Credit program for several years due to its use of CNG as a vehicle fuel. The program's revenue for FY 2024 is $437,751.

Energy Credit Revenue - Commencing in FY 2015, GCTD generates and sells both Low Carbon Fuel Standard (LCFS) credits (State of California) and Renewable Identification Number (RIN) credits (U.S. Environmental Protection Agency) from its use of renewable natural gas to fuel the fleet. The market for these credits can be volatile and is based on regulation and demand; however, GCTD has benefited from the program. In the fiscal year of 2024, GCTD received $510,457 from the generation and sale of state and federal credits.

Non-Operating Revenues

Local Transportation Funds (LTF*)*

In July 2014, Gold Coast Transit became Gold Coast Transit District (GCTD) after Governor Brown signed state legislation in October 2013. As a Transit District now, GCTD is entitled to claim the entire amount of state Local Transportation Funds (LTF) apportioned by population to its member jurisdictions. GCTD's enabling legislation also allows GCTD 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. For FY 2024, GCTD claimed $21,382,371 in LTF funds, out of which $2,015,096 was claimed by GCTD's members for their transit service requirements.

Federal Grants

GCTD’s second largest source of operating revenue is the Federal Transit Administration (FTA) grants. Federal Section 5307 grants are allocated based on a federal formula and have remained relatively stable over the past ten years. Section 5307 is the core program providing federal funds for GCTD operating activities.

GCTD expended $8,162,936 in Section 5307 grant funds for eligible operating activities, and $2,234,700 towards the replacement of four CNG buses, two electric cars and two hybrid SUVs in FY 2024. Operating expenses of $72,000 were expended for Enhanced Mobility of Seniors and Individuals with Disabilities. GCTD expended $146,211 in American Rescue Plan (ARP) Act funding in FY 2024. Section 5339 provides capital funding to replace, rehabilitate and purchase buses and facilities. GCTD expended $446,160 in 5339 funds towards eligible operating expenses.

State Funding

STA and SGR - GCTD receives funding from the State Transportation Assistance (STA) and State of Good Repair (SGR) programs. In FY 2024, the State Controller’s Office (SCO) allocated GCTD $350,687 in STA funds and $ 47,109 in SGR funds. These funds can be used for eligible activities, such as local matching for Federal grants, operating activities, and preventive maintenance.

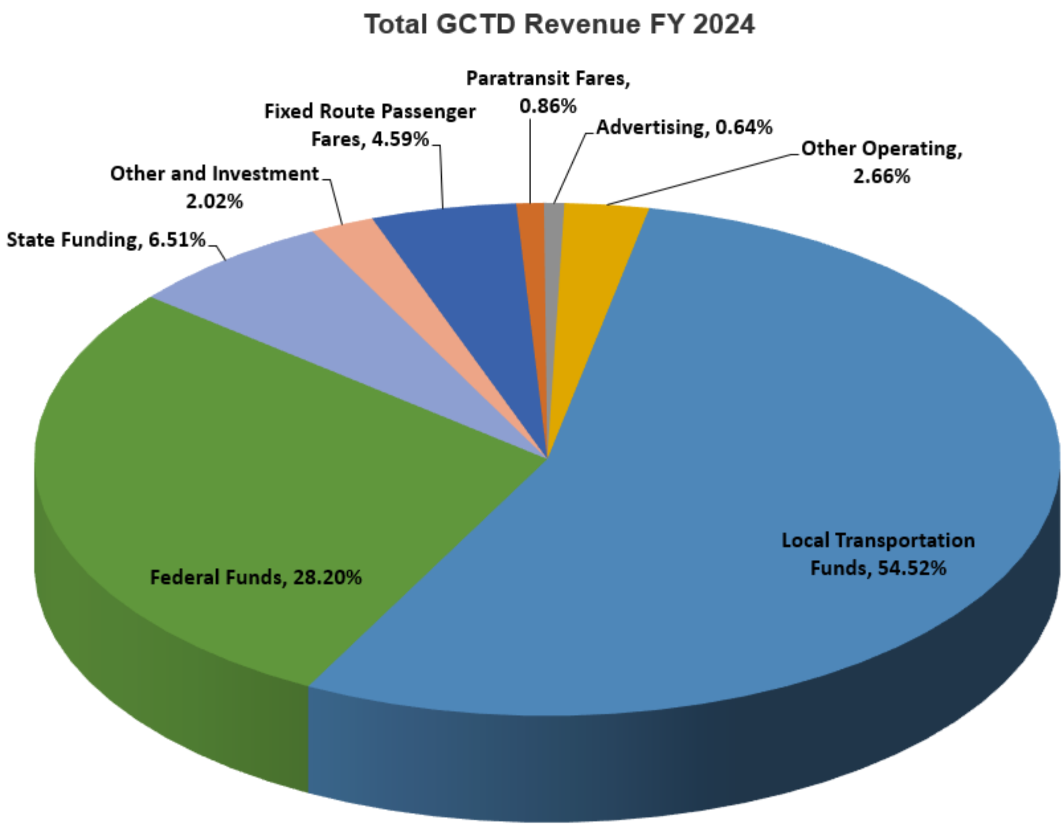
GCTD participates in the Low Carbon Transit Operations Program (LCTOP) and receives funding for approved mobility projects. GCTD received $72,142 in LCTOP funding for Route 23 operations. Additionally, GCTD receives grant funding through Proposition 1B for various operating and capital asset projects of which no new funds were received in FY 2024.

Other and Investment

Investment earnings include interest earnings and fair market adjustments on temporary investments held in the State of California Local Agency Investment Fund (LAIF) and money market funds at US Bank. GCTD gained $47,889 in FY 2024 compared to a loss of $7,176 in FY 2023, an increase of $55,065 from the previous year due to favorable market changes.

Other revenue consists of the sale of equipment, scrap material, and insurance proceeds. GCTD earned $63,199 from these revenue sources in FY 2024.

The following chart shows the major sources of operating and non-operating revenues for the year ended June 30, 2024, as a percentage of total revenues:



EXPENSES

A summary of expenses for the year ended June 30, 2024, including the amount and percentage of change from the prior year, is shown below:

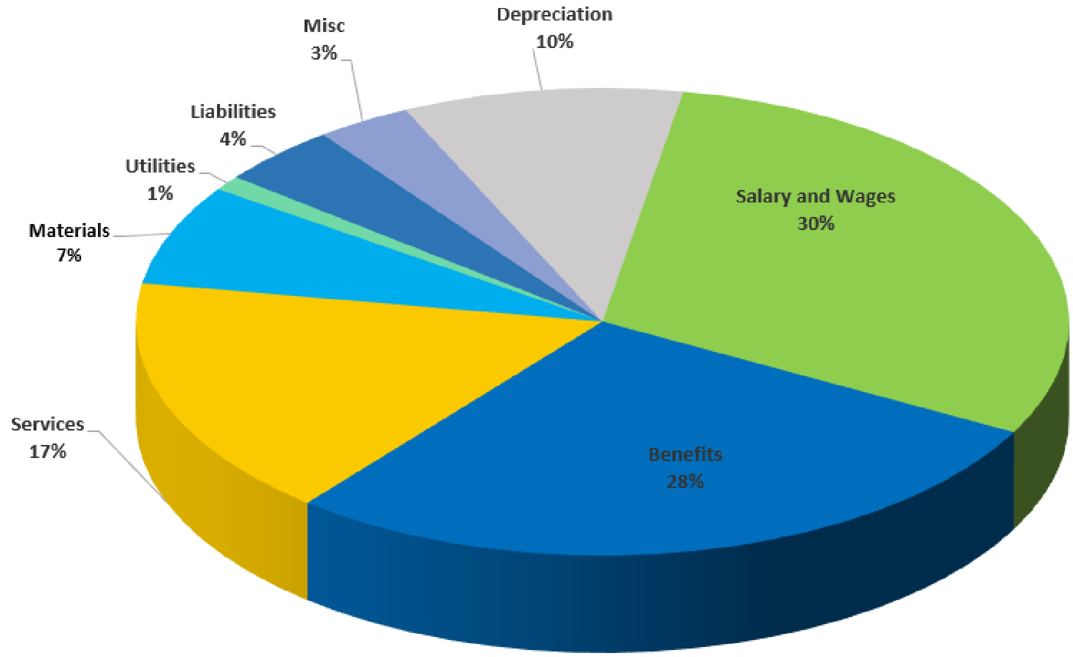
	2024	2023	$ Change	% Change
Operating Expenses				
Salary and Wages	$ 11,760,428	$ 11,495,703	$ 264,725	2.30%
Benefits	10,964,393	10,549,779	414,614	3.93%
Services	6,546,276	4,615,742	1,930,534	41.82%
Materials	2,722,894	3,020,489	(297,594)	-9.85%
Utilities	401,878	360,152	41,726	11.59%
Liabilities	1,627,067	1,278,609	348,458	27.25%
Debt Services	888,649	918,249	(29,600)	-3.22%
Misc	397,288	440,926	(43,638)	-9.90%
Operating Expenses before Depreciation	35,308,873	32,679,648	2,629,225	8.05%
Depreciation	3,801,267	3,630,346	170,921	4.71%
Total Operating Expenses	$ 39,110,140	$ 36,309,994	$ 2,800,146	7.71%

Total operating expenses before depreciation were 8.05% higher, mainly driven by an increase of 41.82% in Services from $4,615,742 to $6,546,276, and a 3.93% in employee benefits from $10,549,779 to $10,964,393, an increase of $414,614. Some of the cost drivers for the increase include medical and pharmaceutical inflation, employee workers compensation, additional unfunded pension liability contribution.

Liabilities increased by 27.25% to $1,627,067 due to higher liability insurance, commercial property, earthquake, and other insurance.

Miscellaneous expenses decreased by 9.9%. This increase includes subscriptions and memberships, such as the California Transit Association, American Public Transportation Association, and California Association for Coordinated Transportation, as well as scheduling and human resource software and others alike.

The following chart shows major cost categories and the percentage of operating expenses for the year ended June 30, 2024:



BASIC FINANCIAL STATEMENTS

GCTD's basic financial statements are prepared on an accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) set promulgated by the Governmental Accounting Standards Board. GCTD is structured functions as an enterprise fund with revenues normally recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and (excluding land) depreciated over their estimated useful lives. See the notes to the basic financial statements for a summary of GCTD's significant accounting policies.

CAPITAL ASSET ACQUISITION

During FY 2024, GCTD added four compressed natural gas-powered buses, along with two Nissan Leaf electric cars and two Chrysler Pacifica hybrid compact SUVs totaling $2,750,777.

Capital asset acquisitions are capitalized at cost. Acquisitions are typically funded primarily using federal grants with matching local funds. Over the past decade, GCTD has received state grants from the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and California Office of Emergency Services (Cal-OES) Safety and Security programs. These grants can match federal funds but do not require local matching funds.

ECONOMIC AND STRATEGIC FACTORS

GCTD operates a facility that can accommodate its current and potential growth. The commitment GCTD made in taking on long-term debt for addressing the future transit needs with the larger facility continues to be important in State and Federal transit funding.

Despite the growing economy, LTF, GCTD's primary funding source, appears to have stabilized. Although the District committed to future public transit needs by developing a new, larger operating base, GCTD may be vulnerable to another significant economic downturn similar to what the country experienced in 2008. Meanwhile, Ventura County remains the most populated county in California that still needs to pass a dedicated transportation tax. This limits GCTD's ability to grow and provide a more robust transit service to the community and hinders GCTD's ability to compete for state and federal grant funds. Ventura County voters failed to approve a one-half cent sales tax in November 2016 to fund necessary road and transportation improvements. However, Measure AA received over 64% approval in the four cities GCTD serves. Other high-population counties in California have recognized the need for local funding to support the provision of transit services. GCTD will continue to have future public transit needs constrained until this issue is successfully addressed.

GCTD has a Memorandum of Understanding (MOU) with the Service Employees International Union (SEIU). Currently, approximately 80% of GCTD's workers are represented by SEIU employees working under the current agreement, valid until June 30, 2027.

GCTD negotiated a three-year contract with Teamsters Local 186 during FY 2023, which represents 17 supervisors and whose previous contract expired on June 30, 2023. The new agreement is valid until June 30, 2026.

GCTD has been using compressed natural gas (CNG) to power its buses, paratransit fleet, and most of its service vehicles since 1995. GCTD owns and operates a natural gas compression station. GCTD continued to realize benefits from its contract with Clean Energy that provides GCTD renewable natural gas at a discount from the published commodity price and revenue from GCTD’s sale of LCFS credits (State of California) and RIN credits (U.S. Environmental Protection Agency (EPA)) generated from its use of CNG as a fuel.

GCTD placed four (4) CNG buses into service during FY 2024. As GCTD transitions to zero-emission hydrogen buses, the CNG bus fleet will continue to operate for several years. The Board of Directors of GCTD has shown a forward-thinking approach by committing to purchasing zero-emission buses for the future fleet.

Throughout its history, GCTD (and its predecessor agencies, Gold Coast Transit and South Coast Area Transit) has been constrained from growth by the limitations of its revenue. Increased revenue from the additional LTF funds available to GCTD when it became a District in 2014 allowed it to proceed with debt funding to complete and move into a new facility to prepare for future growth. GCTD aims to explore new revenue sources to enhance service for Western Ventura County.

GCTD actively seeks out all relevant grant opportunities. It is important to note that discretionary grants do not provide recurring revenue. GCTD has implemented several initiatives to increase revenues, such as on-board advertising sales and the generation and sale of LCFS and RIN credits. GCTD will continue to aggressively pursue revenue opportunities from these initiatives, and SB1 has the potential to help fill the gap. Identifying and implementing a local means of financial support for Ventura County transit is pivotal for sustainability.

REQUESTS FOR INFORMATION

This financial report is designed to provide an overview of GCTD’s financial operations and condition to its members, customers, stakeholders, and other interested parties. If you have any questions regarding the information included provided in this report or wish to require request additional financial information, please contact Christine Feng, CFO/ Assistant General Manager, at Gold Coast Transit District, 1901 Auto Center Drive, Oxnard, California, 93036.

GOLD COAST TRANSIT DISTRICT

Balance Sheets

For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

ASSETS	2024	2023
Current assets:		
Cash and cash equivalents (Note 2)	$ 4,743,120	$ 7,340,026
Accrued interest receivable	20,121	2,488
Accounts receivable – customers	125,254	94,292
Due from other governments	5,980,686	3,870,801
Inventories and prepaid expenses	1,242,475	1,124,214
Total current assets	12,111,656	12,431,821
Non-current assets:		
Restricted – investments (Note 2 and 3)	2,601,393	2,533,632
Capital assets – not being depreciated (Note 4)	9,353,397	9,110,874
Capital assets – being depreciated, net (Note 4)	52,165,742	53,200,740
Total non-current assets	64,120,532	64,845,246
Total assets	76,232,188	77,277,067
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions (Note 10)	7,498,648	8,222,450
Deferred outflows of resources related to OPEB (Note 11)	1,369,437	1,470,171
Total deferred outflows of resources	8,868,085	9,692,621
Total assets and deferred outflows of resources	$ 85,100,273	$ 86,969,688
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 1,581,032	$ 1,343,822
Customer deposits and unearned revenue	14,856	35,208
Accrued interest payable	469,469	480,344
Long-term liabilities – due within one year:		
Compensated absences (Note 6)	1,212,817	1,220,336
Right-to-use SBITA payable (Note 7)	42,710	59,464
Right-to-use lease payable (Note 8)	17,640	16,628
COPs payable (Note 9)	509,623	489,623
Total current liabilities	3,848,147	3,645,425
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 6)	76,756	77,231
Right-to-use SBITA payable (note 7)	71,150	113,859
Right-to-use lease payable (Note 8)	18,529	36,169
COPs payable (Note 9)	20,496,334	21,005,957
Net pension liability (Note 10)	17,470,234	16,961,055
Net OPEB liability (Note 11)	1,540,411	1,660,045
Total non-current liabilities	39,673,414	39,854,316
Total liabilities	43,521,561	43,499,741
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions (Note 10)	582,192	846,824
Deferred inflows of resources related to OPEB (Note 11)	942,307	666,971
Total deferred inflows of resources	1,524,499	1,513,795
NET POSITION		
Net investment in capital assets (Note 12)	40,363,153	40,589,914
Restricted proceeds from bond issuance (Note 3)	2,601,393	2,491,956
Unrestricted (Deficit) (Note 13)	(2,910,333)	(1,125,719)
Total net position	40,054,213	41,956,151
Total liabilities, deferred inflows of resources and net position	$ 85,100,273	$ 86,969,687

GOLD COAST TRANSIT DISTRICT

Statements of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

	2024	2023
OPERATING REVENUES		
Passenger fares:		
Fixed route	$ 1,798,373	$ 2,110,093
Paratransit	339,193	185,562
Advertising revenue	250,057	306,538
Other operating revenue	1,042,882	782,721
Total operating revenues	3,430,505	3,384,914
OPERATING EXPENSES		
Salaries and wages	11,760,428	11,495,703
Employee benefits	10,964,393	10,549,779
Services	6,546,276	4,615,742
Materials	2,722,894	3,020,488
Utilities	401,878	360,152
Insurance claims	1,627,067	1,278,609
Other operating expenses	397,288	440,926
Total operating expenses before depreciation	34,420,224	31,761,399
Operating loss before depreciation	(30,989,719)	(28,376,485)
Depreciation and amortization expense	(3,801,267)	(3,630,346)
Operating loss	(34,790,986)	(32,006,831)
NON-OPERATING REVENUES (EXPENSES)		
Local transportation funding	21,382,371	20,832,195
Federal grants	11,062,007	7,745,225
State transit assistance	350,687	374,875
State and local grants	2,132,693	915,550
Low carbon transit operations program	72,142	107,334
Investment earnings	243,642	41,885
Local assistance to other agencies	(2,015,096)	(1,807,940)
Interest expense	(888,649)	(918,249)
Other non-operating revenues	549,251	432,630
Total non-operating revenues(expenses), net	32,889,048	27,723,505
Change in net position	(1,901,938)	(4,283,326)
Net position:		
Beginning of year	41,956,151	46,239,477
End of year	$ 40,054,213	$ 41,956,151

GOLD COAST TRANSIT DISTRICT

Statements of Cash Flows

For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

	2024	2023
Cash flows from operating activities:		
Cash receipts from customers and others	$ 3,671,602	$ 4,146,193
Cash paid to employees for salaries and benefits	(10,543,637)	(10,742,262)
Cash paid to vendors and suppliers for materials and services	(22,422,586)	(20,899,991)
Net cash used in operating activities	(29,294,621)	(27,496,060)
Cash flows from non-capital and related financing activities:		
Proceeds from Local Transportation Fund	21,382,371	20,832,196
Proceeds from Federal grants	9,233,393	7,745,225
Proceeds from state transit assistance	349,650	285,916
Proceeds from state and local funds	1,914,428	890,857
Payments to other agencies	(2,015,096)	(1,807,940)
Proceeds from other non-capital funding	74,258	368,164
Net cash provided by non-capital and related financing activities	30,939,004	28,314,418
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(3,008,792)	(1,890,637)
Proceeds from right-to-use SBITA payable	-	230,141
Principal paid on right-to-use SBITA payable	(59,464)	-
Principal paid on right-to-use lease payable	(16,628)	-
Principal paid on long-term debt	(435,000)	(482,630)
Interest paid on long-term debt	(899,524)	(970,938)
Net cash used in capital and related financing activities	(4,419,408)	(3,114,064)
Cash flows from investing activities:		
Purchase of investments, net	-	(2,533,632)
Investment earnings	178,120	41,435
Net cash provided by (used in) investing activities	178,120	(2,492,197)
Net decrease in cash and cash equivalents	(2,596,905)	(4,787,903)
Cash and cash equivalents:		
Beginning of year	7,340,025	12,127,928
End of year	$ 4,743,120	$ 7,340,025

GOLD COAST TRANSIT DISTRICT

Statements of Cash Flows (continued)

For the Year Ended June 30, 2024 (With Comparable Amounts as of June 30, 2023)

	2024	2023
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (34,790,986)	$ (32,006,831)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	3,801,267	3,630,346
Change in assets – (increase)decrease:		
Accounts receivable	(30,962)	316,626
Due from other governments	410,672	797,348
Inventories and prepaid items	(118,261)	(387,903)
Change in deferred outflows of resources – (increase)decrease		
Deferred outflows of resources related to pensions	723,802	(4,464,049)
Deferred outflows of resources related to OPEB	100,734	99,768
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	237,210	(634,295)
Customer deposits and unearned revenue	(20,352)	35,208
Compensated absences	(7,994)	184,042
Net Pension liability	509,179	9,362,981
Net OPEB liability	(119,634)	(73,245)
Change in deferred inflows of resources – increase(decrease)		
Deferred inflows of resources related to pensions	(264,632)	(4,613,249)
Deferred inflows of resources related to OPEB	275,336	257,193
Total adjustments	5,496,365	4,510,771
Net cash used in operating activities	$ (29,294,621)	$ (27,496,060)
Non-cash investing, capital and financing transactions:		
Change in fair-value of investments	$ (47,889)	$ -
Amortization of bond premium(discount), net	$ 54,623	$ 54,623

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Gold Coast Transit District (District), a special district of the State of California, was created on in 1973 by a Joint Exercise of Powers Agreements between the Cities of Ojai, Oxnard, Port Hueneme, and San Buenaventura (Ventura) for the purpose of operating a public transportation system within and about western Ventura County. Subsequent to the initial creation of the District, the City of Santa Paula and the County of Ventura (the County) were added as participating members. Each participating government agency is represented on the District's Board of Directors. On October 5, 1994, the City of Santa Paula withdrew from the joint powers authority agreement and surrendered its representation on the Board. Santa Paula's member equity was reallocated to the other members during the fiscal year ended June 30, 1995. As of July 1, 2014, Gold Coast Transit became known as Gold Coast Transit District.

The principal business activity of Gold Coast Transit District (District) is to provide public transportation service to customers in the geographic area known as western Ventura County located in Southern California. The District's principal sources of revenue are from Local Transportation Funding as well as various other state and federal grants.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Presentation, Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

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

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

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

Local Transportation Funding, Article No. 4 (LTF), received by the County from the State of California and then subsequently distributed to the District and its member entities based on their requested appropriation throughout the fiscal year is also accounted for in the Operating Fund.

Proposition 1B Grant funding, advanced grant funding received by the District from the State of California Proposition 1B funds for the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Low Carbon Transit Operations Program (LCTOP) are also accounted for in the Operating Fund.

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents
For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of 90 days or less, when purchased, to be cash equivalents. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

2. Investments
Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

2. **Investments (continued)**

   Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

3. **Receivables and Allowance for Doubtful Accounts**
   Accounts receivable consist primarily of amounts owed by customers for advertising revenue, as well as amounts owed by other governmental agencies. As of June 30, 2024, all accounts receivable are considered to be collectable by the District.

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

5. **Prepaids**
   Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

6. **Right-To-Use Subscription-Based Information Technology Arrangements (SBITA) Asset and Payable**
   The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. The District has established a single model for SBITA accounting based on the principle that SBITAs are financings of a right-to-use underlying asset. As a lessee, the District is required to recognize a SBITA liability (payable) and an intangible right-to-use SBITA asset. At the commencement of a SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life. The District monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and SBITA payable if certain changes occur that are expected to significantly affect the amount of the SBITA payable.

7. **Right-To-Use Leased Asset and Right-To-Use Lease Payable**
   The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. The District has established a single model for lease accounting based on the principle that leases are financings of a right-to-use underlying asset. As a lessee, the District is required to recognize a lease liability (payable) and an intangible right-to-use leased asset. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life. The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the leased asset and lease payable if certain changes occur that are expected to significantly affect the amount of the lease payable.

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

8. Capital Assets
Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District's policy to capitalize assets costing over $5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Revenue vehicles – fixed route	12 years
Revenue vehicles - paratransit	4-5 years
Buildings and buildings improvements	15-30 years
Equipment	3-10 years

9. Deferred Outflows/Inflows of Resources
In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

10. Unearned– Local Transportation Funding
Authorized and received Local Transportation Funds (LTF) that exceed current year expenditure requirements are deferred to future periods.

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

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

12. Pensions

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

The following timeframes are used for pension reporting:

Valuation Date June 30, 2022
Measurement Date June 30, 2023
Measurement Period July 1, 2022 to June 30, 2023

13. Post-employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Gold Coast Transit District Retiree Benefits Plan ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Valuation Date June 30, 2023
Measurement Date June 30, 2023
Measurement Period July 1, 2022 to June 30, 2023

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

14. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets -** This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of debt for those capital assets.

- **Restricted -** This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

E. Non-Operating Revenues

The District receives LTF 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 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) may be set aside to fund capital acquisitions and is classified as local transportation funding in the non-operating section of the statement of activities and changes in net position.

The remaining portion of local transportation funding is used to subsidize current operations and is also included in the nonoperating revenue section of the statement of activities and changes in net position. Under provisions of the Fixing America's Surface Transportation (FAST) Act, signed into law on December 4, 2015, Federal planning and capital assistance grants (under Section 5307) are made available to local urbanized mass transportation systems on a formula basis. Federal operating and matching grants provided to the District under this act are included in the non-operating revenue section of the statement of activities and changes in net position.

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

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Grant Funding

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

G. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by outside parties.

H. Reclassifications

Certain amounts from the prior year have been reclassified to conform to the current year's presentation.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments were classified in the accompanying financial statements as follows:

Description	June 30, 2024
Cash and cash equivalents	$ 4,743,120
Restricted – investments	2,601,393
Total cash and investments	**$ 7,344,513**

Cash and investments consisted of the following:

Description	June 30, 2024
Cash on hand	$ 670
Demand deposits held with financial institutions	17,611
Deposits held with Local Agency Investment Fund (LAIF)	106,227
Deposits held with Ventura County Pooled Investment Fund (VCPIF)	1,533,284
Deposits held with money market funds	3,085,328
Investments	2,601,393
Total cash and investments	**$ 7,344,513**

Demand Deposits

At June 30, 2024, the carrying amount of the District's demand deposits was $17,611 and the financial institution balance was $739,534. The $721,923 net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

NOTE 2 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits
Custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution the Authority 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 custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2023, the Authority's deposits were covered by the Federal Deposit Insurance Corporation insurance limits or collateralized as required by California law.

Local Agency Investment Fund (LAIF)
The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State's cash flow and strengthen the financial security of local public agencies. PMIA's policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). LAIF allows cities, counties, and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from LAIF at any time as LAIF is highly liquid and has a dollar - in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2024, the District held $106,227 in LAIF.

Ventura County Pooled Investment Fund (VCPIF)
The District is a voluntary participant in the Ventura County Pooled Investment Fund (VCPIF) that is regulated by the California Government Code under the oversight of the Treasurer of the County of Ventura, California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's prorated share of the fair value provided by the VCPIF for the entire VCPIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the VCPIF, which are recorded on an amortized cost basis. For financial reporting purposes, the District considers funds in VCPIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2024, the District held $1,533,284 in VCPIF.

NOTE 2 – CASH AND INVESTMENTS (continued)

Money-Market Funds

Money-market funds are an investment whose objective is to earn modest investment earnings while maintaining a net asset value (NAV) of $1 per share (which is the funds main goal – preservation of principal). A money-market fund's portfolio is typically comprised of short-term, or less than one year, securities representing high-quality, liquid debt and monetary instruments with minimal credit risk. Money-market funds are Level 1 investments (with quoted prices in active markets for identical assets) that are Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers money market funds a cash equivalent due to their highly liquid nature and NAV of $1 per share. As of June 30, 2024, the District held $3,085,328 in money market funds.

Investments

The District's investments as of June 30, 2024 were as follows:

				Maturity	
Type of Investments	Measurement Input	Credit Rating	June 30, 2024 Fair Value	12 Months or Less	13 to 24 Months
U.S. Government obligations	Level 1	Aaa	$ 1,014,079	$ -	$ 1,014,079
Corporate short-term obligations	Level 2	AAA	334,004	334,004	-
Money market accounts held with debt trustee	Level 1	N/A	1,253,310	1,253,310	-
Total investments			$ 2,601,393	$ 1,587,314	$ 1,014,079

Authorized Investments and Investment Policy

The District has adopted an investment policy directing the Fiscal Officer to deposit funds in financial institutions to purchase financial investments in accordance with California Government Code 53600-53610. The following table represents investments authorized by the Districts investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
State on local agency bonds	5-years	None	None
U.S. treasury obligations	5-years	None	None
Government sponsored agency securities	5-years	None	None
Negotiable certificates of deposit	5-years	30%	None
Short -term corporate obligationsnotes	5-years	30%	None
Money market mutual funds	5-years	20%	20%
County pooled investment funds	None	None	None
California Local Agency Investment Fund (LAIF)	None	None	None

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by generally accepted accounting principles. The District has presented its measurement inputs as noted in the previous table.

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2024 and 2023, the District's investment in the LAIF was not rated as noted in the previous table, and the District's investment in the VCPIF was rated AAAf/S-1+.

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. One of the ways that the Authority can manage its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity as necessary to provide the cash flow and liquidity needed for operations.

Concentration of Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented in the Investment Table are Standard & Poor's credit ratings for the Authority's investments as of June 30, 2024.

NOTE 3 – RESTRICTED ASSETS AND NET POSITION

The balance at June 30, 2024 consists of the following:

Description	June 30, 2024
Restricted - investments	$ 2,601,393
Total restricted from debt proceeds	$ 2,601,393

Restricted assets are investments of debt proceeds held by the bond trustees for debt service.

NOTE 4 – CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended June 30, 2024, were as follows:

Description	Balance July 1, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Non-depreciable assets:				
Land	$ 8,981,061	$ -	$ -	$ 8,981,061
Construction-in-process	129,813	242,522	-	372,335
Total non-depreciable assets	9,110,874	242,522	-	9,353,396
Depreciable assets:				
Buildings and improvements	43,819,825	-	-	43,819,825
Vehicles and equipment	41,212,274	2,766,270	(1,635,096)	42,343,448
Intangible assets	39,401	-	-	39,401
Total depreciable assets	85,071,500	2,766,270	(1,635,096)	86,202,674
Accumulated depreciation:				
Buildings and improvements	(4,955,451)	(1,234,754)	-	(6,190,205)
Vehicles and equipment	(27,097,543)	(2,490,087)	1,635,096	(27,952,534)
Intangible assets	(39,401)	-	-	(39,401)
Total accumulated depreciation	(32,092,395)	(3,724,841)	1,635,096	(34,182,140)
Total depreciable assets, net	52,979,105	(958,571)	-	52,020,534
Depreciable assets:				
Right-to-use leased asset	84,067	-	-	84,067
Right-to-use subscription asset	230,141	-	(33,961)	196,180
Total right-to-use assets	314,208	-	(33,961)	280,247
Accumulated amortization:				
Right-to-use leased asset	(33,065)	(16,918)	-	(49,983)
Right-to-use subscription asset	(59,508)	(59,508)	33,961	(85,055)
Total accumulated amortization	(92,573)	(76,426)	33,961	(135,038)
Total amortizable assets, net	221,635	(76,426)	-	145,209
Total capital assets, net	$ 62,311,614	$ (792,475)	$ -	$ 61,519,139

NOTE 5 – UNEARNED – LOCAL TRANSPORTATION FUNDING (LTF)

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

As of June 30, 2024, there was no unearned LTF revenue recorded by the District, and all LTF revenue recognized in the fiscal year was received by the District in the fiscal year. Thers was no unearned LTF revenue as of June 30, 2023.

NOTE 6 – COMPENSATED ABSENCES

Summary changes to compensated absences balances for the year ended June 30, 2024, were as follows:

Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
$ 1,297,568	$ 609,672	$ (617,667)	$ 1,289,573	$ 1,212,817	$ 76,756

NOTE 7 – RIGHT-TO-USE SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSET AND PAYABLE

Changes in right-to-use SBITA payable for fiscal year ending June 30, 2024, was as follows:

Description	Balance July 1, 2023	Additions	Payments	Balance June 30, 2024	Current Portion	Long-term Portion
Vector Solutions	$ 7,552	$ -	$ (7,552)	$ -	$ -	$ -
Remix	10,244	-	(10,244)	-	-	-
UTAAPC	49,980	-	(16,250)	33,730	16,657	17,073
Ecoline	105,548	-	(25,418)	80,130	26,053	54,077
Total	$ 173,324	$ -	$ (59,464)	$ 113,860	$ 42,710	$ 71,150

Annual debt service requirements for the right-to-use SBITA payable are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 42,710	$ 2,846	$ 45,556
2026	43,778	1,779	45,557
2027	27,372	684	28,056
Total	113,860	$ 228	$ 12,847
Current	(42,710)		
Long-Term	$ 71,150		

The District is reporting a total right-to-use SBITA asset, net of $111,125 and a right-to-use SBITA payable of $113,860 for the year ending June 30, 2024. Also, the District is reporting total amortization expense of $59,508, principal payments of $59,464 and interest expense of $4,334 related to the above noted SBITAs.

The SBITA's held by the District do not have implicit rates of return, therefore the District used its incremental borrowing rate of 2.00% to discount the SBITA payments to the net present value. In some cases, SBITAs contain termination clauses. In these cases, the clause requires the user or provider to show cause to terminate the SBITA.

NOTE 7 – RIGHT-TO-USE SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSET AND PAYABLE (continued)

The District's SBITA's are summarized as follows:

Vector Solutions
On July 1, 2022, the District continued a 48-month arrangement with Vector Solutions for use of its online employee learning management system and real-time driver performance software. An initial right-to-use SBITA liability was recorded in the amount of $14,699. As of June 30, 2024, the value of the SBITA payable was $0. The District makes annual payments of $7,296 with a 3.0% annual increase. The SBITA has an implied interest rate of 2.5%. The District is amortizing the right-to-use SBITA asset of $14,699 at $612 per month. As of June 30, 2024, the value of the SBITA right-to-use asset was $0. The District recognized interest expense of $189 during the fiscal year. The SBITA will be evaluated by the District for future extensions after the completion of the current SBITA period.

Remix
On July 1, 2022, the District continued a 36-month arrangement with Remix for use of its route planning and research software tool. An initial right-to-use SBITA liability was recorded in the amount of $19,262. As of June 30, 2024, the value of the SBITA payable was $0. The District makes annual payments of $7,500 with a $1,000 annual increase. The SBITA has an implied interest rate of 2.5%. The District is amortizing the right-to-use SBITA asset of $19,262 at $803 per month. As of June 30, 2024, the value of the right-to-use SBITA asset was $0. The District recognized interest expense of $256 during the fiscal year. The SBITA will be evaluated by the District for future extensions after the completion of the current SBITA period.

UTA's Automated Passenger Counter (UTAAPC)
On July 1, 2022, the District continued a 48-month arrangement with UTAAPC for use of its GPS enabled passenger data software. An initial right-to-use SBITA liability was recorded in the amount of $65,835. As of June 30, 2024, the value of the SBITA payable was $33,730. The District makes fixed annual payments of $17,500 with no annual increase for the length of the arrangement. The SBITA has an implied interest rate of 2.5%. The District is amortizing the right-to-use SBITA asset of $65,835 at $1,372 per month. As of June 30, 2024, the net value of the right-to-use SBITA asset was $32,919. The District recognized interest expense of $1,250 during the fiscal year. The SBITA will be evaluated by the District for future extensions after the completion of the current SBITA period.

Ecolane
On July 1, 2022, the District continued a 60-month arrangement with Ecolane for use of its reservation, dispatch and reporting software. An initial right-to-use SBITA liability was recorded in the amount of $130,345. As of June 30, 2024, the value of the SBITA payable was $80,130. The District makes fixed annual payments of $28,057 with no annual increase for the length of the arrangement. The SBITA has an implied interest rate of 2.5%. The District is amortizing the right-to-use SBITA asset of $130,345 at $2,172 per month. As of June 30, 2024, the net value of the right-to-use SBITA asset was $78,206. The District recognized interest expense of $2,639 during the fiscal year. The SBITA will be evaluated by the District for future extensions after the completion of the current SBITA period.

NOTE 8 – RIGHT-TO-USE LEASED ASSET AND RIGHT-TO-USE LEASE PAYABLE

Changes in right-to-use lease payable for fiscal year ending June 30, 2024, was as follows:

Description	Balance, July, 1 2023	Additions	Deletions	Balance, June, 30 2024	Due Within One Year	Due in More Than One Year
Customer service center	$ 39,015	$ -	$ (10,594)	$ 28,421	$ 11,029	$ 17,392
Bus operator breakroom	13,782	-	(6,034)	7,748	6,611	1,137
	$ 52,797	$ -	$ (16,628)	$ 36,169	$ 17,640	$ 18,529

Annual debt service requirements for the right-to-use lease payable are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 17,640	$ 1,072	$ 18,712
2026	12,615	453	13,068
2027	5,914	53	5,967
Total	36,169	$ 1,578	$ 37,747
Less: current	(17,640)		
Total non-current	$ 18,529		

The District is reporting a total right-to-use leased asset, net of $51,002 and a right-to-use lease payable of $52,797 for the year ending June 30, 2023. Also, the District is reporting total amortization expense of $16,810, principal payments of $15,812 and interest expense of $2,583 related to the above noted lease.

The leases held by the District do not have an implicit rate of return, therefore the District used its incremental borrowing rate of 4.00% to discount the lease payments to the net present value. In some cases, leases contain termination clauses. In these cases, the clause requires the lessee or lessor to show cause to terminate the lease.

The District's leases are summarized as follows:

Customer Service Center
On July 1, 2021, the District continued a 120-month lease with the City of Oxnard for use of building space as customer service center. An initial right-to-use lease liability was recorded in the amount of $59,175. As of June 30, 2024, the value of the lease payable was $28,421. The District is required to make monthly fixed payments of $997 for the first 12-month period, then increases each October based on the CPI, but not to exceed 3.0% annually. The lease has an implied interest rate of 4.0%. The District is amortizing the right-to-use leased asset of $59,175 at $897 per month. As of June 30, 2024, the net value of the right-to-use leased asset was $26,898. The District recognized an interest expense of $1,245 during the fiscal year. The lease will be evaluated by the District for future extensions after the completion of the current lease period.

NOTE 8 – RIGHT-TO-USE LEASED ASSET AND RIGHT-TO-USE LEASE PAYABLE (continued)

Operator Breakroom
On September 1, 2022, the District renewed a lease for a 36-month lease with the City of Oxnard for use of building space as breakroom for Operators. An initial right-to-use lease liability was recorded in the amount of $24,892. As of June 30, 2024, the value of the lease payable was $7,748. The District is required to make monthly fixed payments of $518 for the first 12-month period, then increases each October based on the CPI, but not to exceed 5.0% annually. The lease has an implied interest rate of 4.0%. The District is amortizing the right-to-use leased asset of $24,892 at $458 per month. As of June 30, 2024, the net value of the right-to-use leased asset was $7,186. The District recognized interest expense of $1,338 during the fiscal year. The lease will be evaluated by the District for future extensions after the completion of the current lease period.

NOTE 9 – LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2024, were as follows:

Long-Term Debt	Balance July 1, 2023	Additions/ Adjustments	Payments/ Amortization	Balance June 30, 2024	Current Portion	Long-term Portion
Certificates of participation	$ 20,130,000	$ -	$ (435,000)	$ 19,695,000	$ 455,000	$ 19,240,000
Premium	1,365,580	-	(54,623)	1,310,957	54,623	1,256,334
Total long-term debt	$ 21,495,580	$ -	$ (489,623)	$ 21,005,957	$ 509,623	$ 20,496,334

Series 2017 Certificates of Participation (COP)
On March 2, 2017, the District issued Series 2017 Certificates of Participation (2017 COPs) in the par amount of $22,000,000 for the construction of its new operations and maintenance facility. The District pledged fare box revenues for the repayment of the certificates. The 2017 COPs were issued with coupon interest rates ranging between 4.00% to 5.25% and a net premium on the issuance of $1,716,093 which is being amortized over the life of the debt service. The 2017 COPs are scheduled to mature on July 1, 2047. Interest payments are due on July 1st and January 1st while principal payments ranging between $340,000 to $1,350,000 are due on July 1st each year.

If any Event of Default occurs and is continuing, the Trustee by notice to the District, or the Owners of at least 25% in principal amount of the Certificates by notice to the District and the Trustee (except for an Event of Default as described under clause (c) of Section 8.01 of the Lease Agreement, for which no such notice is required), may declare the principal and accrued interest with respect to the Certificates to be due and payable immediately. Upon a declaration, the principal and accrued interest to the date of the Trustee's declaration of acceleration on the Certificates shall be due and payable. The Trustee may, and upon the request of Owners of a majority in principal amount of the Certificates shall, rescind an acceleration and its consequences if all existing Events of Default have been cured or waived, if the rescission would not conflict with any judgment or decree if all payments due the Trustee have been made. As of June 30, 2024, the balance of the certificates of participation is $19,695,000 and the balance of the unamortized premium was $1,310,957.

NOTE 9 – LONG-TERM DEBT (continued)

Series 2017 Certificates of Participation (COP) (continued)

Annual debt service requirements for the certificates of participation are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 455,000	$ 929,269	$ 1,384,269
2026	475,000	909,506	1,384,506
2027	495,000	887,038	1,382,038
2028	520,000	861,663	1,381,663
2029	550,000	834,225	1,384,225
2030-3034	3,210,000	3,710,669	6,920,669
2035-2039	3,965,000	2,954,450	6,919,450
2040-2044	5,010,000	1,905,000	6,915,000
2045-2048	5,015,000	517,375	5,532,375
Total	19,695,000	$ 13,509,195	$ 33,204,195
Current	(455,000)		
Long-term	$ 19,240,000		

NOTE 10 – PENSION PLAN

Summary
The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2024
Pension related deferred outflows	$ 7,498,648
Net pension liability	17,470,234
Pension related deferred inflows	582,192

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees' Retirement System (CalPERS), or "The Plan".

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan

The Plan

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

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.0 @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 55 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required member contribution rates	8.00%	7.250%
Required employer contribution rates – FY 2024	11.530%	14.570%

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2022, Annual Actuarial Valuation Reports. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

At June 30, 2023, (Measurement Date) the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans
Active members	192
Transferred and terminated members	26
Retired members and beneficiaries	139
Total plan members	357

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Benefits Provided
CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each Plan are applied as specified by the Public Employees' Retirement Law.

Contributions
Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Contributions for the fiscal year ended June 30, 2024, were as follows:

Contribution Type	Miscellaneous Plans
Contributions – employer	$ 3,057,176
Contributions – members	916,003
Total contributions	$ 3,973,179

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense
The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2023, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)
The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2023 (MD):

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2023 (Measurement Date)	$ 76,541,808	$ 59,071,574	$ 17,470,234
Balance as of June 30, 2022 (Measurement Date)	$ 72,281,972	$ 55,320,917	$ 16,961,055
Change in Plan Net Pension Liability	$ (4,259,836)	$ (3,750,657)	$ (509,179)

Proportionate Share of Net Pension Liability and Pension Expense (continued)
For the year ended June 30, 2024, the District recognized pension expense of $3,860,927. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	$ 3,057,176	$ -
Adjustment due to differences in proportions		
Differences between expected and actual experience	526,249	(582,192)
Differences between projected and actual earnings on pension plan investments	2,670,076	-
Changes in assumptions	1,245,147	-
Total Deferred Outflows/(Inflows) of Resources	$ 7,498,648	$ (582,192)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

An amount of $3,057,176 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2024	$ 1,113,057
2025	703,413
2026	1,950,257
2027	92,553
Total	$ 3,859,280

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2023 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2022, total pension liability. The June 30, 2023, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long - term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Long-term Expected Rate of Return (continued)

Asset Class	Assumed Asset Allocation	Real Return [1,2]
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Estate	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

[1] An expected inflation rate of 2.3% is used for this period.
[2] Figures are based on the Asset Liability Management study.

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

Subsequent Events
There were no subsequent events that would materially affect the results in this disclosure.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Net Pension Liability at June 30, 2023		
Plan Type	Discount Rate - 1% 6.90%	Current Discount Rate 6.90%	Discount Rate + 1% 7.90%
CalPERS – Miscellaneous Plan	$ 27,836,657	$ 17,470,234	$ 8,916,850

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

C. Payable to the Pension Plans

At June 30, 2024, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2024.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Summary
The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2024
OPEB related deferred outflows	$ 1,369,437
Net other post-employment benefits liability	1,540,411
OPEB related deferred inflows	942,307

A. General Information about the OPEB Plan

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

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

Benefits provided
The District offers lifetime post-employment medical to employees who satisfy the eligibility rules. Eligibility for retiree health benefits requires retirement from the District on or after age 50 (age 52 for PEPRA New hires) with at least five years of CalPERS service. Eligible employees will receive the PEMHCA minimum benefit. The PRMHCA minimum amount for 2023 is $151 monthly with annual increases. A survivor of a CalPERS retiree is eligible for benefits if the survivor qualifies for a monthly survivor's pension.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

A. General Information about the OPEB Plan (continued)

Employees covered by benefit terms
At June 30, the following employees were covered by the benefit terms:

	2023
Inactive plan members or beneficiaries currently receiving benefit payments	25
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	193
Total	218

Funding Policy
The District's funding policy is to contribute to the Trust Fund when possible and pay benefits outside of the Trust Fund, until the Trust Fund is fully funded.

The ADC is the sum of the service cost and the amortization of the net OPEB liability, plus interest (if applicable). For payment of the ADC, however, it comprises three parts: the benefit payments paid outside of the Trust Fund, the credit for the implicit subsidy, and the contribution to the Trust Fund. If the total of the service cost and amortization is less than the total of the benefit payments and implicit subsidy (if benefit payments are paid outside of the Trust Fund), the contribution to the Trust Fund will be negative and is typically set to zero.

The plan's funding policy will produce high contribution amounts until the unfunded amount is fully amortized in 2043, and then will reduce to an amount to cover the service cost, with interest, going forward.

Contributions
The contribution requirements are established and amended by the District. The contribution is based on pay-as-you-go financing requirements. For the fiscal year ended June 30, 2023, the measurement period, the District's contributions totaling $59,065 included $0 placed in the California Employers' Retiree Benefit Trust Fund (CERBT) irrevocable trust, $30,898 in current year premium payments, and an implied subsidy of $28,167

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

B. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total OPEB liability in the June 30, 2023, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry age normal, level percentage of payroll
Asset Valuation Method	Market value of assets as of the measurement date
Actuarial Assumptions:	
Discount Rate	4.31%
Long-Term Expected Rate of Return on Investments	4.31%
Inflation	2.30%
Payroll increases	2.75%
Healthcare Trend Rates	Pre-65 - 7.40% trending down anually 0.25% to 5.18% by 2030, and 4.14% by 2075 Post-65 - 4.20% trending down 0.25% annually to 4.14% by 2029 and later
Morbidity	CalPERS 2021 Study
Mortality	CalPERS 2021 Study
Disability	CalPERS 2021 Study
Retirement	2021 CalPERS Public Agency Miscellaneous experience study; 2.7% @55 and 2.0% @62
Percent Married	80% of future retirees would enroll a spouse

Discount Rate

GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the Plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments. Based on this requirement, and with the approval of the plan sponsor, the discount rate used to measure the total OPEB liability is 4.31%.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

B. Net OPEB Liability (continued)

Discount Rate (continued)
The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage of Portfolio	Assumed Gross Return
Global Equities	49.0%	6.800%
Global Debt Securities	23.0%	3.700%
REITs	20.0%	6.000%
TIPs	5.0%	2.800%
Commodities	3.0%	3.400%

The long-term expected rate of return is determined using the long-term rates of return developed by the CalPERS Investment Office for financial reporting after September 30, 2022.

C. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at July 1, 2023	$ 2,414,631	$ 754,586	$ 1,660,045
Changes for the year:			
Service cost	158,277	-	158,277
Interest	115,724	-	115,724
Changes in assumptions	(377,221)	-	(377,221)
Changes in experience	90,898	-	90,898
Changes in benefit terms	-	-	-
Employer contributions	-	59,065	(59,065)
Actual investment income	-	48,466	(48,466)
Administrative expense	-	(219)	219
Benefit payments	(59,065)	(59,065)	-
Net changes	(71,387)	48,247	(119,634)
Balance at June 30, 2024	$ 2,343,244	$ 802,833	$ 1,540,411

Changes of Assumptions
As of June 30, 2023, the measurement period, the discount rate decreased from 4.55% to 4.31%.

Change of Benefit Terms
As of June 30, 2023, the measurement period, there were no changes in benefits.

Subsequent Events
There were no subsequent events that would materially affect the results presented in this disclosure.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

C. Changes in the Net OPEB Liability (continued)

Sensitivity of the net OPEB liability to changes in the discount rate
The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 3.31%	Discount Rate 4.31%	1% Increase 5.31%
District Plan	$ 1,854,092	$ 1,540,411	$ 1,277,160

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates
The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 6.40%	Healthcare Cost Trend Rates 7.40%	1% Increase 8.40%
District Plan	$ 1,424,619	$ 1,540,411	$ 1,677,363

OPEB plan fiduciary net position
Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Classified Employees Retirement Benefits Trust (CERBT) financial report.

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2024, the District recognized OPEB expense of $315,550. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions made after the measurement date	$ 59,114	$ -
Changes in assumptions	1,083,924	(670,368)
Differences between expected and actual experience	173,842	(271,939)
Differences between projected and actual earnings on OPEB plan investments	52,557	-
Total Deferred Outflows/(Inflows) of Resources	$ 1,369,437	$ (942,307)

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported $59,114 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2025	$ 85,571
2026	80,997
2027	109,026
2028	73,495
2029	74,133
Thereafter	(55,206)
Total	$ 368,016

NOTE 12 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

Description	June 30, 2024
Net investment in capital assets:	
Capital assets – not being depreciated	$ 9,353,397
Capital assets, net – being depreciated	52,165,742
Right-to-use SBITA payable – current	(42,710)
Right-to-use lease payable – current	(17,640)
Certificates of participation – current	(509,623)
Right-to-use SBITA payable – non-current	(71,150)
Right-to-use lease payable – non-current	(18,529)
Certificates of participation, net – non-current	(20,496,334)
Total net investment in capital assets	$ 40,363,153

NOTE 13 – UNRESTRICTED NET POSITION (DEFICIT)

As of June 30, 2024, the District had an unrestricted net position deficit of ($2,910,333). Due to the nature of the deficit from the implementation of GASB Statements No. 68 (net pension liability) and No. 75 (net OPEB liability) in the prior fiscal years, the District will continue to make its actuarial determined contributions to CalPERS and annually review its outstanding net pension and net OPEB liability funding requirements for future periods to reduce its deficit position.

NOTE 14 – STATE TRANSIT ASSISTANCE (STA) FUNDING

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 District utilizes STA funding to fund a combination of operations and capital asset purchases.

STA funding received by the District for FY2024 to fund operations was $350,687. There was $74,307 of STA funding receivable recognized in due from other governmental agencies at June 30, 2024.

NOTE 15 – OTHER STATE ASSISTANCE FUNDING

Low Carbon Transit Operations Program (LCTOP)

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 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project reducing 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 2016. The District requested and received funding for a project in the year ended June 30, 2024.

State of Good Repair (SGR)

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. SGR funding received by the District for fiscal year 2024 was $47,109 and was used for engine replacements. There was $10,906 of SGR funding recognized as due from other governmental agencies at June 30, 2024.

Other State Assistance received and utilized for the fiscal year ended June 30, 2024, was as follows:

	LCTOP	SGR	Total
Beginning net position– July 1, 2023	$ -	$ 7,694	$ 7,694
Proceeds received	72,142	47,109	119,251
Capital assets program purchases:			
Route 23 operations	(72,217)	-	(72,217)
Replacement buses/engines	-	(43,897)	(43,897)
Total capital asset program purchases	(72,217)	(43,897)	(116,114)
Investment income allocated	75	-	75
Change in net position	-	3,212	3,212
Ending net position– June 30, 2024	$ -	$ 10,906	$ 10,906

NOTE 16 – DEFERRED COMPENSATION SAVINGS PLAN

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

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

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

NOTE 17 – RISK MANAGEMENT

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

The District participates in the California Transit Indemnity Pool (CalTIP), a joint powers agency created to provide liability and physical damage insurance to its members through an insurance pool. The District holds property insurance and general and automotive liability with CalTIP up to $25 million on liability with a $25,000 self-insurance retention.

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

	2024
Insurance coverage limits:	
Building and structures	$ 23,927,001
Business and property	3,500,000
Employment practices	2,000,000
Crime	2,200,000
Cyber liability	1,000,000

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

NOTE 17 – RISK MANAGEMENT (continued)

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2024, 2023 and 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2024, 2023 and 2022.

NOTE 18 – COMMITMENTS AND CONTINGENCIES

Excluded Leases – Short-Term Leases and De Minimis Leases
The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised.

Also, d*e minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Construction Contracts
The District has a variety of agreements with private parties relating to the installation, improvement, or modification of District vehicles and equipment, as well as buildings and land improvements. The financing of such construction contracts is being provided by a combination of debt, the District's replacement reserves and federal and state grants. As of June 30, 2024, the District has a balance of $372,335 in Construction-in-process for two projects. The first project for paratransit buses was completed in early fiscal year 2025, and the other is for the FCEB and related projects, which is estimated to be completed in fiscal year 2027. The cost of the FCEB and related projects to date is $258,883, with the remaining cost to complete the project estimated to be approximately $18,000,000.

Operating Fare Revenue Ratio
To provide relief to transit operators, the State of California has suspended enforcement of the California regulations that require that a transit service claimant for TDA funds have a system-wide ratio of fare and local revenues to operating cost of at least 20% or that the claimant realize a fare box recovery ratio (FBRR) of 20% for fixed route passenger service and 10% for paratransit service. GCTD Met both fare box recovery ratios with 20% for fixed route and 20% for paratransit. The combined fare box ratio was 20%.

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

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

NOTE 19 – SUBSEQUENT EVENTS

In accordance with the provisions surrounding subsequent events, the District's management has evaluated events and transactions for potential recognition or disclosure through November 6, 2024, the date the financial statements were available to be issued.

Required Supplementary Information

GOLD COAST TRANSIT DISTRICT

Schedule of Changes in the District's Net Pension Liability and Related Ratios
For the Year Ended June 30, 2024

Last Ten Fiscal Years*

Fiscal Year Ended	**June 30, 2024**	**June 30, 2023**	**June 30, 2022**	**June 30, 2021**	**June 30, 2020**
Measurement Date	**June 30, 2023**	**June 30, 2022**	**June 30, 2021**	**June 30, 2020**	**June 30, 2019**
Total pension liability:					
Service cost	$ 2,229,152	$ 2,159,296	$ 1,893,647	$ 1,882,223	$ 1,878,369
Interest	4,978,252	4,699,885	4,538,545	4,245,655	3,988,180
Changes in assumptions	356,325	2,377,097	-	-	-
Differences between expected and actual experience	95,308	(1,111,456)	917,859	348,824	856,414
Benefit payments	(3,399,201)	(3,223,633)	(3,161,478)	(2,748,719)	(2,483,737)
Net change in total pension liability	4,259,836	4,901,189	4,188,573	3,727,983	4,239,226
Total pension liability - beginning	72,281,972	67,380,783	63,192,210	59,464,227	55,225,001
Total pension liability - ending	76,541,808	72,281,972	67,380,783	63,192,210	59,464,227
Plan fiduciary net position:					
Contributions - employer	2,829,745	2,498,252	2,412,586	2,113,162	1,899,815
Contributions - employee	911,503	822,236	885,976	797,278	798,356
Net investment earnings	3,449,290	(4,521,405)	11,033,027	2,311,088	2,865,566
Benefit payments	(3,399,201)	(3,223,633)	(3,161,478)	(2,748,719)	(2,483,737)
Net plan to plan resource movement	-	-	-	-	-
Administrative expense	(40,680)	(37,241)	(48,610)	(65,206)	(30,832)
Other miscellaneous income/(expense)	-	-	-	-	100
Net change in plan fiduciary net position	3,750,657	(4,461,791)	11,121,501	2,407,603	3,049,268
Plan fiduciary net position - beginning	55,320,917	59,782,708	48,661,207	46,253,604	43,204,336
Plan fiduciary net position - ending	59,071,574	55,320,917	59,782,708	48,661,207	46,253,604
District's net pension liability	$ 17,470,234	$ 16,961,055	$ 7,598,075	$ 14,531,003	$ 13,210,623
Plan fiduciary net position as a percentage of the total pension liability	77.18%	76.53%	88.72%	77.01%	77.78%
Covered payroll	$ 11,997,589	$ 11,275,697	$ 10,920,689	$ 10,670,198	$ 10,526,023
District's net pension liability as a percentage of covered payroll	145.61%	150.42%	69.58%	136.18%	125.50%

Notes to Schedule:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

In 2022, SB 1168 increased the standard retiree lump sum death benefit from $500 to $2,000 for any death occurring on or after July 1, 2023. The impact, if any, is included in the changes of benefit terms.

Changes of Assumptions: There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

GOLD COAST TRANSIT DISTRICT

Schedule of Changes in the District's Net Pension Liability and Related Ratios (continued)
For the Year Ended June 30, 2024

Last Ten Fiscal Years*

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Date	**June 30, 2018**	**June 30, 2017**	**June 30, 2016**	**June 30, 2015**	**June 30, 2014**
Total pension liability:					
Service cost	$ 1,830,138	$ 1,829,423	$ 1,569,279	$ 1,569,756	$ 1,439,195
Interest	3,701,748	3,498,403	3,299,586	3,107,585	2,955,928
Changes in assumptions	(344,098)	2,867,527	-	(742,987)	-
Differences between expected and actual experience	131,794	5,749	(243,014)	(621,259)	-
Benefit payments	(2,329,043)	(2,214,742)	(1,935,932)	(1,912,604)	(1,860,423)
Net change in total pension liability	2,990,539	5,986,360	2,689,919	1,400,491	2,534,700
Total pension liability - beginning	52,234,462	46,248,102	43,558,183	42,157,692	39,622,992
Total pension liability - ending	55,225,001	52,234,462	46,248,102	43,558,183	42,157,692
Plan fiduciary net position:					
Contributions - employer	1,721,226	1,635,904	1,585,400	1,301,520	1,192,180
Contributions - employee	786,067	722,714	731,597	660,103	629,617
Net investment earnings	3,391,187	4,019,509	171,677	782,090	5,116,686
Benefit payments	(2,329,043)	(2,214,742)	(1,935,932)	(1,912,604)	(1,860,423)
Net plan to plan resource movement	(100)	-	-	-	-
Administrative expense	(62,043)	(52,715)	(21,436)	(39,582)	-
Other miscellaneous income/(expense)	(117,820)	-	-	-	-
Net change in plan fiduciary net position	3,389,474	4,110,670	531,306	791,527	5,078,060
Plan fiduciary net position - beginning	39,814,862	35,704,192	35,172,886	34,381,359	29,303,299
Plan fiduciary net position - ending	43,204,336	39,814,862	35,704,192	35,172,886	34,381,359
District's net pension liability	$ 12,020,665	$ 12,419,600	$ 10,543,910	$ 8,385,297	$ 7,776,333
Plan fiduciary net position as a percentage of the total pension liability	78.23%	76.22%	77.20%	80.75%	81.55%
Covered payroll	$ 10,177,043	$ 9,898,406	$ 9,268,128	$ 8,714,871	$ 7,827,241
District's net pension liability as a percentage of covered payroll	118.12%	125.47%	113.77%	96.22%	99.35%

Notes to Schedule:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

In 2022, SB 1168 increased the standard retiree lump sum death benefit from $500 to $2,000 for any death occurring on or after July 1, 2023. The impact, if any, is included in the changes of benefit terms.

Changes of Assumptions: There were no assumption changes in 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

GOLD COAST TRANSIT DISTRICT

Schedule of the District's Contributions to the Pension Plan
For the Year Ended June 30, 2024

Last Ten Fiscal Years*

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2014	$ 1,192,180	$ (1,192,180)	$ -	$ 7,827,241	15.23%
June 30, 2015	1,301,199	(1,301,199)	-	8,714,571	14.93%
June 30, 2016	1,585,400	(1,585,400)	-	9,268,128	17.11%
June 30, 2017	1,653,604	(1,653,604)	-	9,898,406	16.71%
June 30, 2018	1,721,225	(1,721,225)	-	10,177,043	16.91%
June 30, 2019	1,899,815	(1,899,815)	-	10,526,023	18.05%
June 30, 2020	2,113,162	(2,113,162)	-	10,670,198	19.80%
June 30, 2021	2,412,586	(2,412,586)	-	10,920,689	22.09%
June 30, 2022	2,498,252	(2,498,252)	-	11,275,697	22.16%
June 30, 2023	2,829,745	(2,829,745)	-	11,997,589	23.59%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2015	June 30, 2013	Entry Age	Fair Value	2.75%	7.65%
June 30, 2016	June 30, 2014	Entry Age	Fair Value	2.75%	7.65%
June 30, 2017	June 30, 2015	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Fair Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Fair Value	2.30%	6.90%

Amortization Method	Level percentage of payroll, closed
Salary Increases	Depending on age, service, and type of employment
Investment Rate of Return	Net of pension plan investment expense, including inflation
Retirement Age	50 years (2.7%@55), 52 years (2.0%@62)
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

GOLD COAST TRANSIT DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2024

Last Ten Fiscal Years*

Fiscal Year Ended	**June 30, 2024**	**June 30, 2023**	**June 30, 2022**	**June 30, 2021**	**June 30, 2020**
Measurement Date	**June 30, 2023**	**June 30, 2022**	**June 30, 2021**	**June 30, 2020**	**June 30, 2019**
Total OPEB liability:					
Service cost	$ 158,277	$ 193,687	$ 44,855	$ 43,130	$ 54,778
Interest	115,724	96,916	61,956	54,999	75,574
Changes in assumptions	(377,221)	(400,589)	1,548,465	-	-
Differences between expected and actual experience	90,898	(20,774)	123,071	7,230	(398,490)
Changes of benefit terms	-	-	-	-	-
Benefit payments	(59,065)	(59,375)	(27,158)	(24,618)	(22,526)
Net change in total OPEB liability	(71,387)	(190,135)	1,751,189	80,741	(290,664)
Total OPEB liability - beginning	2,414,631	2,604,766	853,577	772,836	1,063,500
Total OPEB liability - ending	2,343,244	2,414,631	2,604,766	853,577	772,836
Plan fiduciary net position:					
Contributions - employer	59,065	59,375	27,158	24,618	21,218
Net investment income	48,466	(116,669)	188,005	23,350	38,423
Administrative expense	(219)	(221)	(259)	(323)	(133)
Benefit payments	(59,065)	(59,375)	(27,158)	(24,618)	(21,218)
Other	-	-	-	-	-
Net change in plan fiduciary net position	48,247	(116,890)	187,746	23,027	38,290
Plan fiduciary net position - beginning	754,586	871,476	683,730	660,703	622,413
Plan fiduciary net position - ending	802,833	754,586	871,476	683,730	660,703
District's net OPEB liability	$ 1,540,411	$ 1,660,045	$ 1,733,290	$ 169,847	$ 112,133
Plan fiduciary net position as a percentage of the total OPEB liability	34.26%	31.25%	33.46%	80.10%	85.49%
Covered payroll	$ 11,495,703	$ 13,299,813	$ 10,920,689	$ 10,628,408	$ 10,384,621
District's net OPEB liability as a percentage of covered payroll	13.40%	12.48%	15.87%	1.60%	1.08%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2019 – There were no changes of benefits terms.
Measurement Date June 30, 2020 – There were no changes of benefits terms.
Measurement Date June 30, 2021 – There were no changes of benefits terms.
Measurement Date June 30, 2022 – There were no changes of benefits terms.
Measurement Date June 30, 2023 – There were no changes of benefits terms.

Changes in Assumptions:

Measurement Date June 30, 2019 – There were no changes in assumptions.
Measurement Date June 30, 2020 – There were no changes in assumptions.
Measurement Date June 30, 2021 – There were no changes in assumptions except a change in discount rate
Measurement Date June 30, 2022 – The discount rate increased from 3.50% to 4.55%
Measurement Date June 30, 2023 – Mortality tables and health care trend rates were updated, discount rate reduced from 4.55% to 4.31%.

GOLD COAST TRANSIT DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios (continued)
For the Year Ended June 30, 2024

Last Ten Fiscal Years*

Fiscal Year Ended	**June 30, 2019**	**June 30, 2018**
Measurement Date	**June 30, 2018**	**June 30, 2017**
Total OPEB liability:		
Service cost	$ 53,312	$ 51,885
Interest	68,455	61,713
Benefit payments	(19,083)	(18,349)
Net change in total OPEB liability	102,684	95,249
Total OPEB liability - beginning	960,816	865,567
Total OPEB liability - ending	1,063,500	960,816
Plan fiduciary net position:		
Contributions - employer	86,292	92,280
Net investment income	41,336	41,882
Administrative expense	(957)	(356)
Benefit payments	(19,083)	(18,349)
Net change in plan fiduciary net position	107,588	115,457
Plan fiduciary net position - beginning	514,825	399,368
Plan fiduciary net position - ending	622,413	514,825
District's net OPEB liability	$ 441,087	$ 445,991
Plan fiduciary net position as a percentage of the total OPEB liability	58.52%	53.58%
Covered payroll	$ 10,244,305	$ 9,904,665
District's net OPEB liability as a percentage of covered payroll	4.31%	4.50%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes of benefits terms.
Measurement Date June 30, 2018 – There were no changes of benefits terms.

Changes in Assumptions:

Measurement Date June 30, 2017 – There were no changes in assumptions.
Measurement Date June 30, 2018 – There were no changes in assumptions.

* Fiscal year 2018 was the first year of implementation; therefore, only seven years are shown.

Supplementary Information

GOLD COAST TRANSIT DISTRICT

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor Agency/ Pass-through Grantor Agency/ Program Name and/or Title	Federal Financial Assistance	Pass-Through Entity Identifying Number	Federal Program Expenditures
Federal Programs:			
U.S. Department of Transportation/ Federal Transit Administration:			
Federal Transit Cluster			
Direct Programs:			
Federal Transit- Formula Grants (Operating Assistance Section 5307)	20.507	CA-90-Z531	$ 2,364,637
Federal Transit- Formula Grants (Operating Section 5307 Preventative Maintenance)	20.507	CA-90-Z531	2,700,000
Federal Transit- Formula Grants (Operating Section 5307-ADA Paratransit Assistance)	20.507	CA-90-Z518	402,938
Federal Transit- Formula Grants (Operating Section 5307-ADA Paratransit Assistance)	20.507	CA-90-Z531	918,318
Federal Transit- Formula Grants (Section 5307 -Bond Payment Assistances)	20.507	CA-90-0415	152,632
Federal Transit- Formula Grants (Route Planning Assistance)	20.507	CA-90-0415	33,111
Federal Transit- Formula Grants (Operating CMAQ Demo Poject- Ventura Rd Route 23)	20.507	CA-95-X347	791,059
Federal Transit- Formula Grants (Capital Revenues)	20.507	CA-95-0122	2,234,700
Federal Transit- Formula Grants (Operating Assiatance.Section 5307)	20.507	CA-90-Z456	833,352
Federal Transit- Formula Grants (ARP: Route Planning Assistance)	20.507	CA-90-0479	113,100
Sub-total 20.507			10,543,847
Federal Transit- Formula Grants (Operating Section 5310 Federal Grants)	20.513	CA-16-X073	36,637
Federal Transit- Formula Grants (Operating Section 5310 Federal Grants)	20.513	CA-16-X073	35,363
Sub-total 20.513			72,000
Federal Transit- Formula Grants (Other Federal Grants/Reimbursements)	20.526	CA-34-0337	446,160
Total Federal Transit Cluster			11,062,007
Total Expenditures of Federal Awards			**$ 11,062,007**

NOTE 1 – REPORTING ENTITY

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the District. The District's reporting entity is defined in Note 1 to the basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal* Awards (Uniform Guidance).

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

The amounts reported in the accompanying schedule of expenditures of federal awards agree, in all material respects, to amounts reported within the District's financial statements as follows:

	Federal Program Expenditures
Statement of activities and changes in net position:	
Federal grants	$ 11,062,007
Total Expenditures of Federal Awards	**$ 11,062,007**

NOTE 4 – INDIRECT COST RATE

The District elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

GOLD COAST TRANSIT DISTRICT

Schedule of Changes in Local Transportation Funding of the District

For the Years Ended June 30, 2024 and 2023

	June 30, 2024	June 30, 2023
Revenues		
Local transportaion funding	$ 19,367,275	$ 19,024,256
Investment earnings	17,236	15,682
Total revenues	19,384,511	19,039,938
Expenses		
Operating	20,269,631	18,946,059
Transfers out – debt payments	333,615	257,878
Total expenses	20,603,246	19,203,937
Change in net position	(1,218,735)	(163,999)
Net position:		
Beginning of year	2,746,970	2,910,969
End of year	$ 1,528,235	$ 2,746,970

Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

GOLD COAST TRANSIT DISTRICT

Condensed Statement of Net Position

Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Current Assets	$ 15,531,471	$ 11,335,824	$ 9,882,036	$ 8,364,115	$ 7,644,376	$ 13,528,315	$ 12,445,955	$ 12,529,170	$ 12,431,821	$ 12,111,656
Noncurrent Assets	$ 33,964	$ 8,087,811	$ 31,046,771	$ 49,660,043	$ 61,511,570	$ 5,915,487	$ 5,922,727	$ 5,483,819	$ 2,533,632	$ 2,601,393
Capital Assets	$ 22,375,098	$ 24,938,691	$ 31,814,958	$ 27,500,223	$ 9,300,205	$ 65,195,340	$ 63,382,037	$ 63,733,870	$ 62,311,614	$ 61,519,139
Total Assets	**$ 37,940,533**	**$ 44,362,326**	**$ 72,743,765**	**$ 85,524,381**	**$ 78,456,151**	**$ 84,639,142**	**$ 81,750,719**	**$ 81,746,859**	**$ 77,277,067**	**$ 76,232,188**
Deferred Outflows of Resources	$ 1,301,199	$ 3,062,166	$ 4,785,604	$ 6,160,099	$ 4,719,702	$ 3,392,613	$ 3,528,402	$ 5,328,340	$ 9,692,621	$ 8,868,085
Current Liabilities	$ 7,406,526	$ 10,432,628	$ 9,983,839	$ 13,600,652	$ 6,792,702	$ 5,382,388	$ 4,130,059	$ 3,887,501	$ 3,645,425	$ 3,848,147
Noncurrent Liabilities	$ 8,095,313	$ 8,765,770	$ 34,633,007	$ 36,677,528	$ 35,739,868	$ 36,212,987	$ 36,849,923	$ 31,078,369	$ 39,854,316	$ 39,673,414
Total Liabilities	**$ 15,501,839**	**$ 19,198,398**	**$ 44,616,846**	**$ 50,278,180**	**$ 42,532,570**	**$ 41,595,375**	**$ 40,979,982**	**$ 34,965,870**	**$ 43,499,741**	**$ 43,521,561**
Deferred Inflows of Resources	$ 2,338,334	$ 2,785,253	$ 2,045,261	$ 2,234,625	$ 1,651,368	$ 758,789	$ 415,413	$ 5,869,851	$ 1,513,795	$ 1,524,499
Net Investment in Capital Assets	$ 22,375,098	$ 24,938,691	$ 29,389,675	$ 43,538,224	$ 39,419,681	$ 42,360,891	$ 40,977,211	$ 41,772,869	$ 40,589,914	$ 40,363,153
Restricted	$ 6,562,550	$ 8,087,811	$ 9,426,367	$ 9,113,669	$ 7,849,670	$ 5,944,030	$ 5,909,245	$ 5,416,007	$ 2,491,956	$ 2,601,393
Unrestricted	$ (7,536,089)	$ (7,585,661)	$ (7,948,780)	$ (13,480,218)	$ (8,277,436)	$ (2,627,330)	$ (3,002,730)	$ (949,399)	$ (1,125,719)	$ (2,910,333)
Total Net Position	**$ 21,401,559**	**$ 25,440,841**	**$ 30,867,262**	**$ 39,171,675**	**$ 38,991,915**	**$ 45,677,591**	**$ 43,883,726**	**$ 46,239,477**	**$ 41,956,151**	**$ 40,054,213**

GOLD COAST TRANSIT DISTRICT
Change in Net Position
Fiscal Years 2014 to 2024

Fiscal Year	2014	2024	% Change	$ Change
Current Assets	$ 19,413,868	$ 12,111,656	-38%	$ (7,302,212)
Noncurrent Assets	$ 13,248,324	$ 64,120,532	100%	$ 50,872,208
Deferred Outflows or Resources		$ 8,868,085	100%	$ 8,868,085
Total Assets and Deferred Outflows	**$ 32,662,192**	**$ 85,100,273**	**161%**	**$ 52,438,081**
Current Liabilities	$ 13,435,513	$ 3,848,147	-71%	$ (9,587,366)
Noncurrent Liabilities	$ 307,525	$ 39,673,414	12801%	$ 39,365,889
Deferred Inflows or Resources	$ -	$ 1,524,499	100%	$ 1,524,499
Total Liabilities and Deferred Inflows	**$ 13,743,038**	**$ 45,046,060**	**228%**	**$ 31,303,022**
Net Investment in Capital Assets	$ 13,213,508	$ 40,363,153	205%	$ 27,149,645
Restricted	$ 4,106,949	$ 2,601,393	-37%	$ (1,505,556)
Unrestricted	$ 1,598,697	$ (2,910,333)	-282%	$ (4,509,030)
Total Net Position	**$ 18,919,154**	**$ 40,054,213**	**112%**	**$ 21,135,059**

GOLD COAST TRANSIT DISTRICT

Detailed Revenue and Expenses

Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
OPERATING REVENUES & (EXPENDITURES)										
Operating Revenues	$ 4,022,983	$ 3,369,769	$ 3,482,127	$ 3,403,877	$ 3,357,045	$ 3,481,222	$ 1,242,945	$ 4,459,112	$ 3,384,914	$ 3,430,505
Operating Expenditures	$ (19,381,448)	$ (20,547,884)	$ (22,113,345)	$ (23,853,669)	$ (25,387,071)	$ (27,671,728)	$ (26,602,341)	$ (28,198,098)	$ (31,761,399)	$ (34,420,224)
Depreciation Expense	$ (2,405,787)	$ (2,843,634)	$ (2,919,180)	$ (2,801,731)	$ (2,569,688)	$ (3,384,578)	$ (3,797,278)	$ (3,393,698)	$ (3,630,346)	$ (3,801,267)
Total Operating Income/(Loss)	**$ (17,764,252)**	**$ (20,021,749)**	**$ (21,550,398)**	**$ (23,251,523)**	**$ (24,599,714)**	**$ (27,575,084)**	**$ (29,156,674)**	**$ (27,132,684)**	**$ (32,006,831)**	**$ (34,790,986)**
NON-OPERATING REVENUES & (EXPENDITURES)										
Local Transportation Funds, Net	$ 8,869,456	$ 10,601,709	$ 13,338,152	$ 13,804,353	$ 15,384,232	$ 15,760,751	$ 14,596,719	$ 13,624,467	$ 19,024,255	$ 19,367,275
State and Local Funds	$ 174,425	$ 207,973	$ 153,094	$ 180,450	$ 709,242	$ 1,275,869	$ 523,605	$ 1,251,201	$ 1,397,759	$ 2,555,522
Federal Funds	$ 5,469,611	$ 4,930,720	$ 4,335,128	$ 4,347,696	$ 4,341,003	$ 16,723,497	$ 12,913,641	$ 15,497,082	$ 7,745,225	$ 11,062,007
Investment Earnings	$ 12,449	$ 15,815	$ 22,295	$ 43,227	$ 44,887	$ 92,631	$ 25,383	$ (88,456)	$ 41,885	$ 243,642
Other Income/(Expense), Net	$ 832,524	$ 1,421,897	$ 465,139	$ 2,074,064	$ 925,319	$ (834,292)	$ (696,539)	$ (795,859)	$ (485,619)	$ (339,398)
Total Non-Operating Income/(Loss)	**$ 15,358,465**	**$ 17,178,114**	**$ 18,313,808**	**$ 20,449,790**	**$ 21,404,683**	**$ 33,018,456**	**$ 27,362,809**	**$ 29,488,435**	**$ 27,723,505**	**$ 32,889,048**
NET INCOME/(LOSS)*	**$ (2,405,787)**	**$ (2,843,635)**	**$ (3,236,590)**	**$ (2,801,733)**	**$ (3,195,031)**	**$ 5,443,372**	**$ (1,793,865)**	**$ 2,355,751**	**$ (4,283,326)**	**$ (1,901,938)**

*Before Capital Contributions

GOLD COAST TRANSIT DISTRICT
Change in Revenue and Expenses
Fiscal Years 2014 to 2024

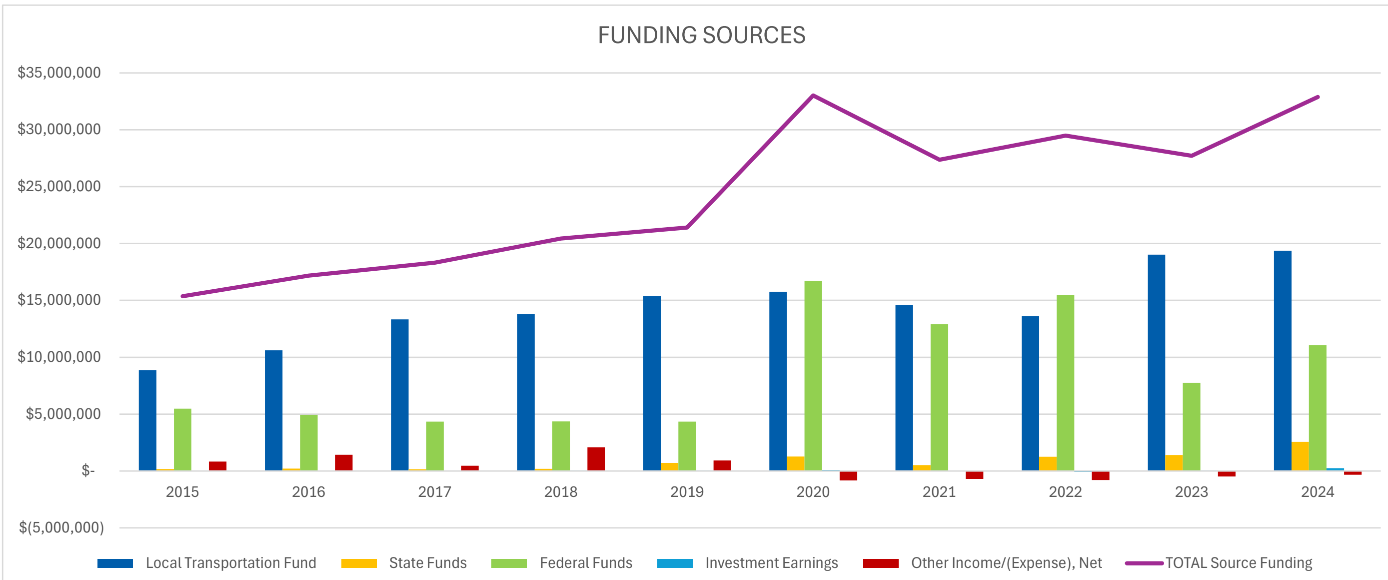
Fiscal Year	2014	2024	% Change	$ Change
OPERATING REVENUES & (EXPENDITURES)				
Passenger Fares	$ 3,714,914	$ 3,430,505	-8%	$ (284,409)
Operating Expenditures	$ (18,531,482)	$ (34,420,224)	86%	$ (15,888,742)
Depreciation Expense	$ (2,519,756)	$ (3,801,267)	51%	$ (1,281,511)
Total Operating Income/(Loss)	**$ (17,336,324)**	**$ (34,790,986)**	**101%**	**$ (17,454,662)**
NON-OPERATING REVENUES & (EXPENDITURES)				
Local Transportation Funds	$ 9,631,812	$ 19,367,275	101%	$ 9,735,463
State Funds	$ 192,000	$ 2,555,522	1231%	$ 2,363,522
Federal Funds	$ 4,733,271	$ 11,062,007	134%	$ 6,328,736
Investment Earnings	$ 13,885	$ 243,642	1655%	$ 229,757
Other Income/(Expense), Net	$ 2,267,550	$ (339,398)	-115%	$ (2,606,948)
Total Non-Operating Income/(Loss)	**$ 16,838,518**	**$ 32,889,048**	**95%**	**$ 16,050,530**
NET INCOME/(LOSS)	**$ (497,806)**	**$ (1,901,938)**	**282%**	**$ (1,404,132)**

GOLD COAST TRANSIT DISTRICT
Budgetary Comparison
For the Year Ended June 30, 2024

	2024 Approved/Final Budget	2024 Actual	Variance	% Variance
REVENUES				
Passenger Fare	$ 2,341,231.00	$ 2,137,565.52	$ (203,665.48)	-8.70%
Special Transit	$ 496,674.00	$ 2,026,479.62	$ 1,529,805.62	308.01%
Auxiliary Trans	$ 286,160.00	$ 687,807.35	$ 401,647.35	140.36%
Non-Transportation	$ 289,850.00	$ 1,303,349.58	$ 1,013,499.58	349.66%
Local Grants & Reimbursements	$ 21,382,371.00	$ 19,367,275.00	$ (2,015,096.00)	-9.42%
State Grant Reimbursements	$ 72,000.00	$ 623,716.11	$ 551,716.11	766.27%
Federal Grants & Reimbursements	$ 10,053,144.00	$ 11,062,007.00	$ 1,008,863.00	10.04%
TOTAL REVENUES	**$ 34,921,430.00**	**$ 37,208,200.18**	**$ 2,286,770.18**	**-6.15%**
EXPENSES				
Labor	$ 12,347,278.00	$ 11,760,428.18	$ (586,849.82)	4.99%
Fringe Benefits	$ 9,197,663.00	$ 10,964,393.36	$ 1,766,730.36	-16.11%
Services	$ 5,995,526.00	$ 6,546,275.49	$ 550,749.49	-8.41%
Materials & Tools	$ 3,657,517.00	$ 2,711,638.62	$ (945,878.38)	34.88%
Utilities	$ 330,729.00	$ 401,878.17	$ 71,149.17	-17.70%
Casuality & Liability	$ 1,591,804.00	$ 1,627,067.20	$ 35,263.20	-2.17%
Misc	$ 569,001.00	$ 378,415.47	$ (190,585.53)	50.36%
Leases	$ 45,000.00	$ 6,774.81	$ (38,225.19)	564.23%
TOTAL EXPENSES	**$ 33,734,518.00**	**$ 34,396,871.30**	**$ 662,353.30**	**-1.93%**
Surplus/(Deficit), before depreciation	**$ 1,186,912.00**	**$ 2,811,328.88**	**$ 1,624,416.88**	**-57.78%**

GOLD COAST TRANSIT DISTRICT
Funding Sources
Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Revenues	$ 4,022,983	$ 3,369,769	$ 3,482,127	$ 3,403,877	$ 3,357,045	$ 3,481,222	$ 1,242,945	$ 4,459,112	$ 3,384,914	$ 3,430,505
Non-operating revenues:										
Local Transportation Fund	$ 8,869,456	$ 10,601,709	$ 13,338,152	$ 13,804,353	$ 15,384,232	$ 15,760,751	$ 14,596,719	$ 13,624,467	$ 19,024,255	$ 19,367,275
State Funds	$ 174,425	$ 207,973	$ 153,094	$ 180,450	$ 709,242	$ 1,275,869	$ 523,605	$ 1,251,201	$ 1,397,759	$ 2,555,522
Federal Funds	$ 5,469,611	$ 4,930,720	$ 4,335,128	$ 4,347,696	$ 4,341,003	$ 16,723,497	$ 12,913,641	$ 15,497,082	$ 7,745,225	$ 11,062,007
Investment Earnings	$ 12,449	$ 15,815	$ 22,295	$ 43,227	$ 44,887	$ 92,631	$ 25,383	$ (88,456)	$ 41,885	$ 243,642
Other Income/(Expense), Net	$ 832,524	$ 1,421,897	$ 465,139	$ 2,074,064	$ 925,319	$ (834,292)	$ (696,539)	$ (795,859)	$ (485,619)	$ (339,398)
TOTAL Source Funding	$ 15,358,465	$ 17,178,114	$ 18,313,808	$ 20,449,790	$ 21,404,683	$ 33,018,456	$ 27,362,809	$ 29,488,435	$ 27,723,505	$ 32,889,048



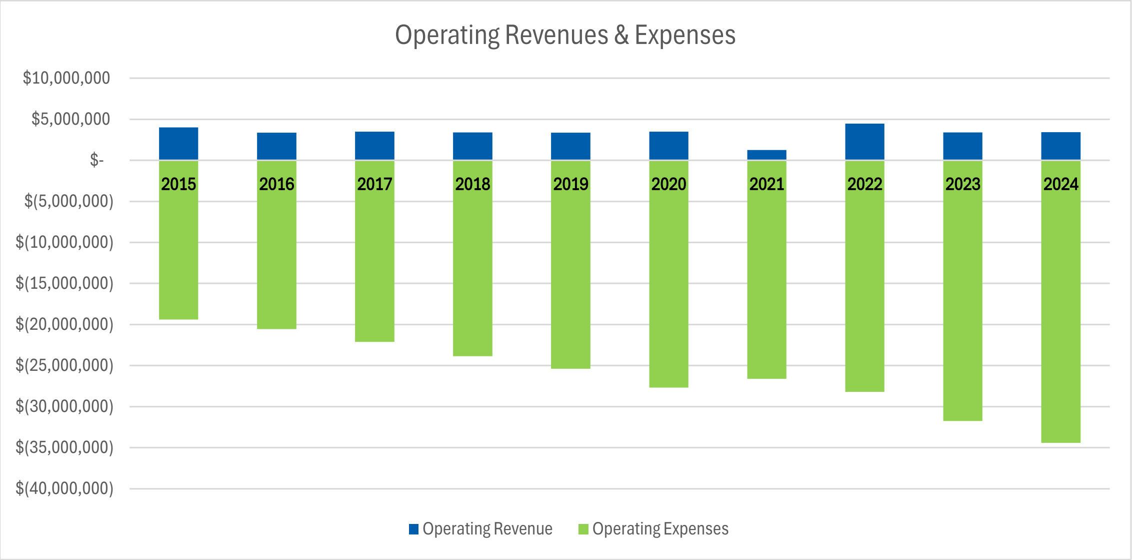
*Total source funding omitted operations

GOLD COAST TRANSIT DISTRICT

Operating Revenues and Expenses

Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Revenue	$ 4,022,983	$ 3,369,769	$ 3,482,127	$ 3,403,877	$ 3,357,045	$ 3,481,222	$ 1,242,945	$ 4,459,112	$ 3,384,914	$ 3,430,505
Operating Expenses	$ (19,381,448)	$ (20,547,884)	$ (22,113,345)	$ (23,853,669)	$ (25,387,071)	$ (27,671,728)	$ (26,602,341)	$ (28,198,098)	$ (31,761,399)	$ (34,420,224)
Total Operating Income/(Loss)	**$ (15,358,465)**	**$ (17,178,115)**	**$ (18,631,218)**	**$ (20,449,792)**	**$ (22,030,026)**	**$ (24,190,506)**	**$ (25,359,396)**	**$ (23,738,986)**	**$ (28,376,485)**	**$ (30,989,719)**



GOLD COAST TRANSIT DISTRICT
Ventura County Population Trends
Fiscal Years 2015 to 2024

Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2015	856,508	$46,060,353	$53,777	5.70%
2016	857,386	$47,397,620	$55,282	5.20%
2017	859,073	$50,550,958	$58,844	4.50%
2018	856,598	$52,515,048	$61,307	3.80%
2019	842,886	$54,749,053	$64,715	3.60%
2020	835,223	$56,728,142	$67,422	8.70%
2021	833,652	$61,619,080	$73,375	6.20%
2022	832,871	$61,627,308	$73,994	3.70%
2023	829,590	$64,783,900	$78,091	4.30%
2024	*	*	*	*

* Data in unavailable

Sources:
US Census Bureau (www.census.gov)
Bureau of Economic Analysis (www.bea.gov)
Bureau of Labor Statistics (www.bls.gov)

GOLD COAST TRANSIT DISTRICT
Principal Employers
Fiscal Years 2013 and 2023

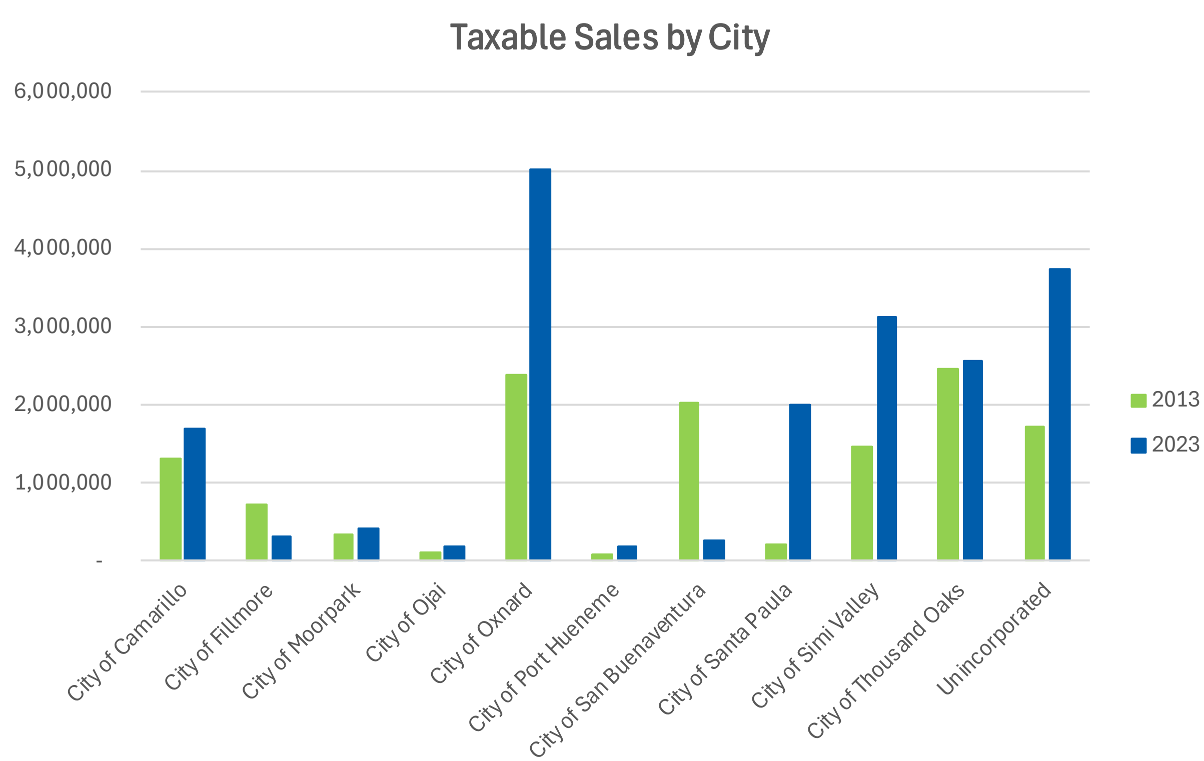
Employer	2023 Employees (1)	Rank	2013 Employees (2)	Rank
Naval Base Ventura County	20,000	1	20,060	1
County of Ventura	10,778	2	8,485	2
Amgen	5,500	3	6,000	3
Conejo Valley Unified School District	3,320	4	1,849	8
Bank of America	2,804	5	*	*
Blue Cross of California	2,500	6	2,913	4
Simi Valley School District	2,300	7	2,320	5
Community Memorial Hospital	2,000	8	2,021	6
St. John's Regional Medical Center	1,809	9	*	*
Los Robles Regional Medical Center	1,800	10	*	*

*data not available

Sources:
2022 The List, Pacific Coast Business Times, September 2023
Employment Development Department, State of California

GOLD COAST TRANSIT DISTRICT
Taxable Sales by City
Fiscal Years 2013 and 2023

	2023			2013		
	Taxable Sales (in thousands)	Rank	Percentage of Total	Taxable Sales (in thousands)	Rank	Percentage of Total
City of Camarillo	$ 1,688,850	6	8.66%	$ 1,301,651	6	10.15%
City of Fillmore	322,624	8	1.65%	731,971	7	5.71%
City of Moorpark	409,155	7	2.10%	339,152	8	2.64%
City of Ojai	190,198	10	0.98%	106,142	10	0.83%
City of Oxnard	5,017,031	1	25.72%	2,395,169	2	18.68%
City of Port Hueneme	183,216	11	0.94%	79,194	11	0.62%
City of San Buenaventura	273,992	9	1.40%	2,019,722	3	15.75%
City of Santa Paula	2,003,379	5	10.27%	207,454	9	1.62%
City of Simi Valley	3,132,707	3	16.06%	1,463,415	5	11.41%
City of Thousand Oaks	2,557,001	4	13.11%	2,471,308	1	19.27%
Incorporated	15,778,153		80.89%	11,115,178		86.67%
Unincorporated	3,728,628	2	19.11%	1,709,118	4	13.33%
Countywide	$ 19,506,781		100.00%	$ 12,824,296		100.00%
California	$ 935,894,939			$ 586,839,618		



Source: California Department of Tax and Fee Administration (CDTFA), Taxable Sales in California Report. Most current data available is 2023

GOLD COAST TRANSIT DISTRICT

Sales Tax Rates

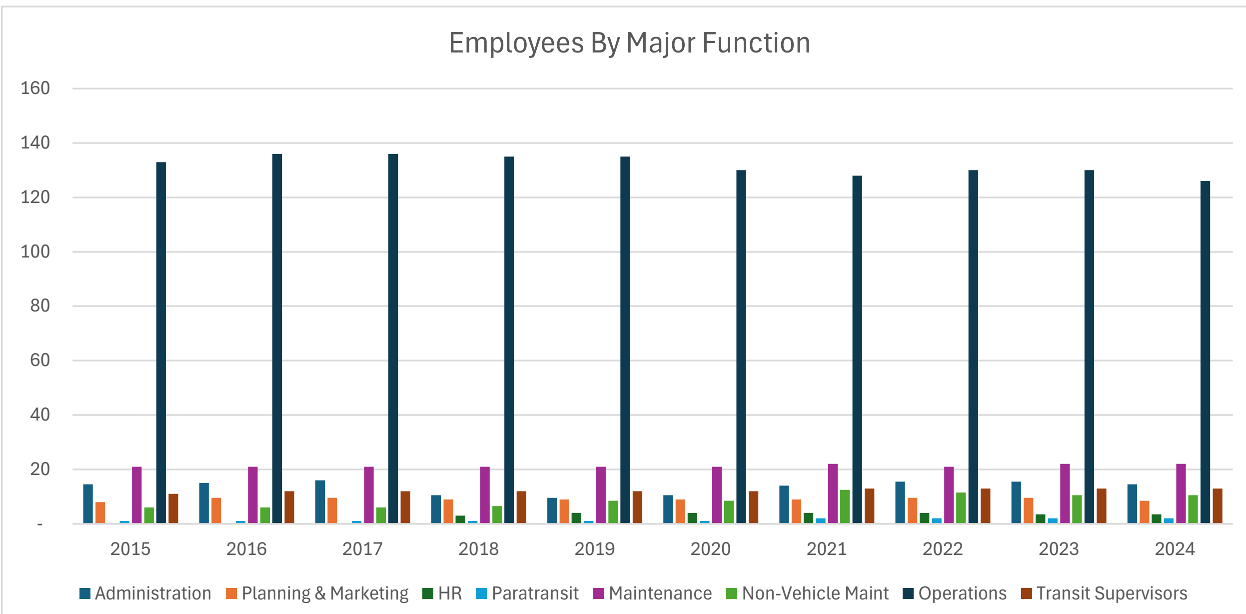
Fiscal Years 2015 to 2024

Fiscal Year	Transportation Development Act (TDA) Direct Rate	County of Ventura
2015	0.25%	7.50%
2016	0.25%	7.50%
2017	0.25%	7.25%
2018	0.25%	7.25%
2019	0.25%	7.25%
2020	0.25%	7.25%
2021	0.25%	7.25%
2022	0.25%	7.25%
2023	0.25%	7.25%
2024	0.25%	7.25%

	2014	2024
Passengers:		
Fixed Route	3,817,758	3,530,560
Paratransit	82,495	114,914
Total	**3,900,253**	**3,645,474**
Revenue Miles:		
Fixed Route	2,044,386	2,063,035
Paratransit	552,342	855,651
Total	**2,596,728**	**2,918,686**
Revenue Hours:		
Fixed Route	196,925	184,286
Paratransit	36,210	53,993
Total	**233,135**	**238,279**
Passengers per Mile:		
Fixed Route	1.87	1.71
Paratransit	0.15	0.13
Total	**2.02**	**1.85**
Passengers per Hour:		
Fixed Route	19.39	19.16
Paratransit	2.28	2.13
Total	**21.67**	**21.29**
Bus - Fixed Route:		
Cost per Boarding	**4.20**	**8.12**
Bus - Paratransit:		
Cost per Boarding	**30.45**	**50.10**

GOLD COAST TRANSIT DISTRICT
Number of Employees by Department
Fiscal Years 2015 to 2024

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration	15	15	16	11	10	11	14	16	16	15
Planning & Marketing	8	10	10	9	9	9	9	10	10	9
HR	-	-	-	3	4	4	4	4	4	4
Paratransit	1	1	1	1	1	1	2	2	2	2
Maintenance	21	21	21	21	21	21	22	21	22	22
Non-Vehicle Maint	6	6	6	7	9	9	13	12	11	11
Operations	133	136	136	135	135	130	128	130	130	126
Transit Supervisors	11	12	12	12	12	12	13	13	13	13
Total	**195**	**201**	**202**	**198**	**200**	**196**	**205**	**207**	**206**	**200**



GOLD COAST TRANSIT DISTRICT
Capital Asset Statistics
Fiscal Years 2015 to 2024

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Land	$ 8,959,491	$ 8,959,491	$ 8,981,061	$ 8,981,061	$ 8,981,061	$ 8,981,061	$ 8,981,061	$ 8,981,061	$ 8,981,061	$ 8,981,061
Construction in Progress	$ 3,042,653	$ 3,555,785	$ 9,472,693	$ 29,893,204	$ 43,876,566	$ -	$ -	$ 38,297	$ 129,813	$ 372,335
Buildings and Improvements	$ 6,752,515	$ 6,986,572	$ 7,000,268	$ 7,000,268	$ 7,000,268	$ 50,529,426	$ 50,299,775	$ 43,819,825	$ 43,819,825	$ 43,819,825
Vehicles and Equipment	$ 28,179,582	$ 30,042,186	$ 30,992,512	$ 31,129,559	$ 30,830,711	$ 37,533,698	$ 39,593,598	$ 42,806,073	$ 41,212,274	$ 42,343,448
Intangible assets	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401	$ 39,401
Subtotal	**$ 46,973,642**	**$ 49,583,435**	**$ 56,485,935**	**$ 77,043,493**	**$ 90,728,007**	**$ 97,083,586**	**$ 98,913,835**	**$ 95,684,657**	**$ 94,182,374**	**$ 95,556,070**
Less: Accumulated Depreciation and Amortization	$ (24,598,544)	$ (24,644,744)	$ (25,439,164)	$ (27,383,450)	$ (29,216,437)	$ (31,888,246)	$ (35,531,798)	$ (31,950,787)	$ (32,092,395)	$ (34,182,140)
Total Net Capital Assets	**$ 22,375,098**	**$ 24,938,691**	**$ 31,046,771**	**$ 49,660,043**	**$ 61,511,570**	**$ 65,195,340**	**$ 63,382,037**	**$ 63,733,870**	**$ 62,089,979**	**$ 61,373,930**

GOLD COAST TRANSIT DISTRICT
Change in Capital Assets
Fiscal Years 2014 and 2024

Fiscal Year		2014		2024	% Change		$ Change
Land (1)	$	300,298	$	8,981,061	2891%	$	8,680,763
Construction in Progress (2)	$	953,669	$	372,335	-61%	$	(581,334)
Buildings and Improvements (3)	$	6,645,151	$	43,819,825	N/A	$	37,174,674
Vehicles and Equipment (4)	$	27,573,455	$	42,343,448	54%	$	14,769,993
Intangible Assets	$	39,401	$	39,401	0%	$	-
Subtotal	**$**	**35,511,974**	**$**	**95,556,070**	**169%**	**$**	**60,044,096**
Less: Accumulated Depreciation and Amortization	$	(22,298,466)	$	(34,182,140)	53%	$	(11,883,674)
Total Net Capital Assets	**$**	**13,213,508**	**$**	**61,373,930**	**364%**	**$**	**48,160,422**

(1) FY2014-15 GCTC aquired new property to be used for new Adminstration & Operation Facilities

(2) CIP varies as projects begin and end

(3) FY2018-19 contrsutcion completed and GCTC opened a new Administration & Operations Facility

(4) Increase due to increase cost and number of revenue vehicles over the fiscal years

Other Independent Auditors'

NIGRO & NIGRO PC
A Professional Accountancy Corporation

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*

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 Gold Coast Transit District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Gold Coast Transit District's basic financial statements, and have issued our report thereon dated November 6, 2024.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered Gold Coast Transit District's internal control over financial reporting (internal control) 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 Gold Coast Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Gold Coast Transit District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA

MURRIETA OFFICE 25220 Hancock Avenue, Suite 400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
WALNUT CREEK OFFICE 2121 N. California Blvd. Suite 290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444
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Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether Gold Coast Transit District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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. 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. Accordingly, this communication is not suitable for any other purpose.

Nigro & Nigro, PC

Murrieta, California
November 6, 2024

A Professional Accountancy Corporation

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Gold Coast Transit District
Oxnard, California

Report on Compliance for Each Major Federal Program

We have audited the Gold Coast Transit District's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Tahoe Resource Conservation District's major federal programs for the year ended June 30, 2024. Tahoe Resource Conservation District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tahoe Resource Conservation District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA | Jessica Berry, CPA

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Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Nigro & Nigro, PC

Murrieta, California
November 6, 2024

Findings and Questioned Costs

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(s) identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(s) identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Sec. 200.516a?	No

Identification of major programs:

Federal Financial Assistance	Name of Federal Program or Cluster
	Federal Transit Cluster
20.507	Formula Grants
20.526	Bus and Bus Facilities Formula Program

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	YES

SECTION II - FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards.*

There were no audit findings in fiscal year 2023-24.

There were no audit findings in fiscal year 2022-23.