GOLDCOAST TRANSIT

Annual Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2021

GOLD COAST TRANSIT DISTRICT

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

1901 AUTO CENTER DRIVE, OXNARD, CA 93036-7966 | **P** 805.483.3959 | **F** 805.487.0925 | GCTD.ORG

Gold Coast Transit District
Board of Directors – June 30, 2021

Bryan A. MacDonald, Chair
Mayor Pro Tem, City of Oxnard

Matt LaVere, Vice Chair
Supervisor, 5th District, County of Ventura

Randy Haney, Director
Councilman, City of Ojai

Richard Rollins, Director
Councilmember, City of Port Hueneme

Mike Johnson, Director
Councilmember, City of Ventura

GOLD COAST TRANSIT DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

This page intentionally left blank.

GOLD COAST TRANSIT DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

This page intentionally left blank.

INTRODUCTORY SECTION
(UNAUDITED)

This page intentionally left blank.

September 28, 2022

Board of Directors
Gold Coast Transit District
Oxnard, CA

Members of the Board:

In Fiscal Year (FY) 2020-21, Gold Coast Transit District (GCTD) continued to work at recovery from the impacts of the COVID-19 pandemic. While the public health orders had large impacts on almost every sector of community life, public transit remained an essential lifeline our community. In FY 2020-21, GCTD delivered nearly 2 million passenger trips in western Ventura County on our fixed-route and ACCESS services. Public transit continues to play an important part of providing access to opportunities and improving quality of life for all in the cities we serve. Some noteworthy highlights at GCTD during FY 2020-21 include:

COVID-19 Response & Recovery Plan – In July 2020, the Board of Directors (Board) approved GCTD's COVID-19 Recovery Plan. The purpose of this plan is to detail Gold Coast Transit District's efforts to assist in the revitalization of the health, social and economic fabric of our community and to have GCTD emerge as a more resilient organization following the COVID-19 pandemic. The plan was developed with input from the public and employees; and includes recommended actions aligned with the California Transportation Association (CTA) Future of Transit task force report.

New Service - Launch of Service on Ventura Road Route 23 – This route was the result of years of planning and construction of 27 bus stops across two cities. The route operates every 30-35 minutes connecting Oxnard College, the Naval Base and Esplanade. The new route is funded by a combination of Congestion Mitigation and Air Quality (CMAQ) and Low Carbon Transit Operations Planning (LCTOP) grant funding. Passenger feedback has been very positive, with ridership in the first year of operation reaching 48,913 passengers. The new route allowed us to restructure services and speed up travel time significantly between north and south Oxnard.

New Flexible Services – Late Night Safe Rides
In FY 2020-21, Late Night Safe Rides was launched to provide passengers with an affordable and safe transportation option during late night hours, in particular those employed in hospitality and health care, who may get off later at night when fixed route bus service is at best, limited. This shared-ride, demand response service is available to anyone who requires a ride within GCTD's service area between the hours 7PM-12AM. This demonstration project is funded for one year by Federal CARES funding targeted towards improving access to jobs with a specific emphasis on assisting essential workers in their reverse commutes.

New Website - GCTD launched a new website with a renewed focus on riders, potential new riders, and the rider experience. Analytics from the former site indicated that over 75% of visitors accessed the website on a mobile device. Therefore, the new website was designed to be mobile-first, enhancing the browsing experience on mobile or tablet devices. The new site offers clear, concise and practical information for trip planning, schedules, fares, route alerts, and real time bus information featuring live bus tracking. The result is a visually appealing, user friendly, and Americans with Disabilities Act (ADA) compliant website.

Direct ACCESS service to Camarillo – Using a 5310 Grant for Seniors and People with Disabilities, GCTD continues to operate, in partnership with the City of Camarillo, a Direct trip to Camarillo service for customers who use ACCESS. This project alleviates the need for passengers to make the physical transfer between vehicles to reach their destination, which was a concern cited in the Ventura County Transportation Commission (VCTC) 2016 Human Service Transportation Coordinated Plan.

Transit Oriented Development – A significant amount of work was done during FY 2020-21 on the decommissioning of the 301 site. This past year the Board adopted a Transit Oriented Development Policy to guide the future use of the site. In addition a Request for Proposal (RFP) process is currently underway to identify a development partner to build affordable housing adjacent to downtown Oxnard Transit Center.

Preparing for Bus Replacements & Zero Emissions by 2040 – Our fleet is aging. With 31 out of 61 buses reaching the end of their life in the next five years, we are continuing to prepare for the eventual replacement of our fleet. In addition, staff continues to prepare for the future of zero emissions bus replacements to meet the goal of transitioning to a zero-emission fleet by 2040 which is required by the California Air Resources Board (CARB).

Now, moving into year two of this global pandemic, our work continues. We continue to restore service where it is needed most, survey passengers on best safety practices, plan for innovative services such as Microtransit, promote the use of contactless payment, and make transit more convenient and efficient. Looking ahead, wherever you're heading, we hope GCTD can take you there. Together, on the Go.

Sincerely,

Vanessa Rauschenberger
General Manager

This page intentionally left blank.

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 million passenger trips provided each year, GCTD is the largest public transportation operator in Ventura County. The fleet includes 61 buses, all powered by clean natural gas supplied by an on-site CNG fueling station and 26 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 efficiently and effectively meet the public's transit needs.

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.

During Fiscal Year (FY) 2018-19, the District continued development of the new 15-acre Administration and Operations Facility in North Oxnard that will allow GCTD to better meet the growing transit needs of the community. The new facility located at 1901 Auto Center Drive in Oxnard, CA opened July 28, 2019.

Statistics

- Service Area: Ojai, Oxnard, Port Hueneme, Ventura & County of Ventura
- Population Served: 375,000
- Total System Annual Passengers: (FY 2020-21) 1.9 million
- 61 - fixed-route buses
    - Fuel Type: 100% Natural Gas
- 28 - paratransit buses and vans
    - Fuel Type: 80% Natural Gas

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

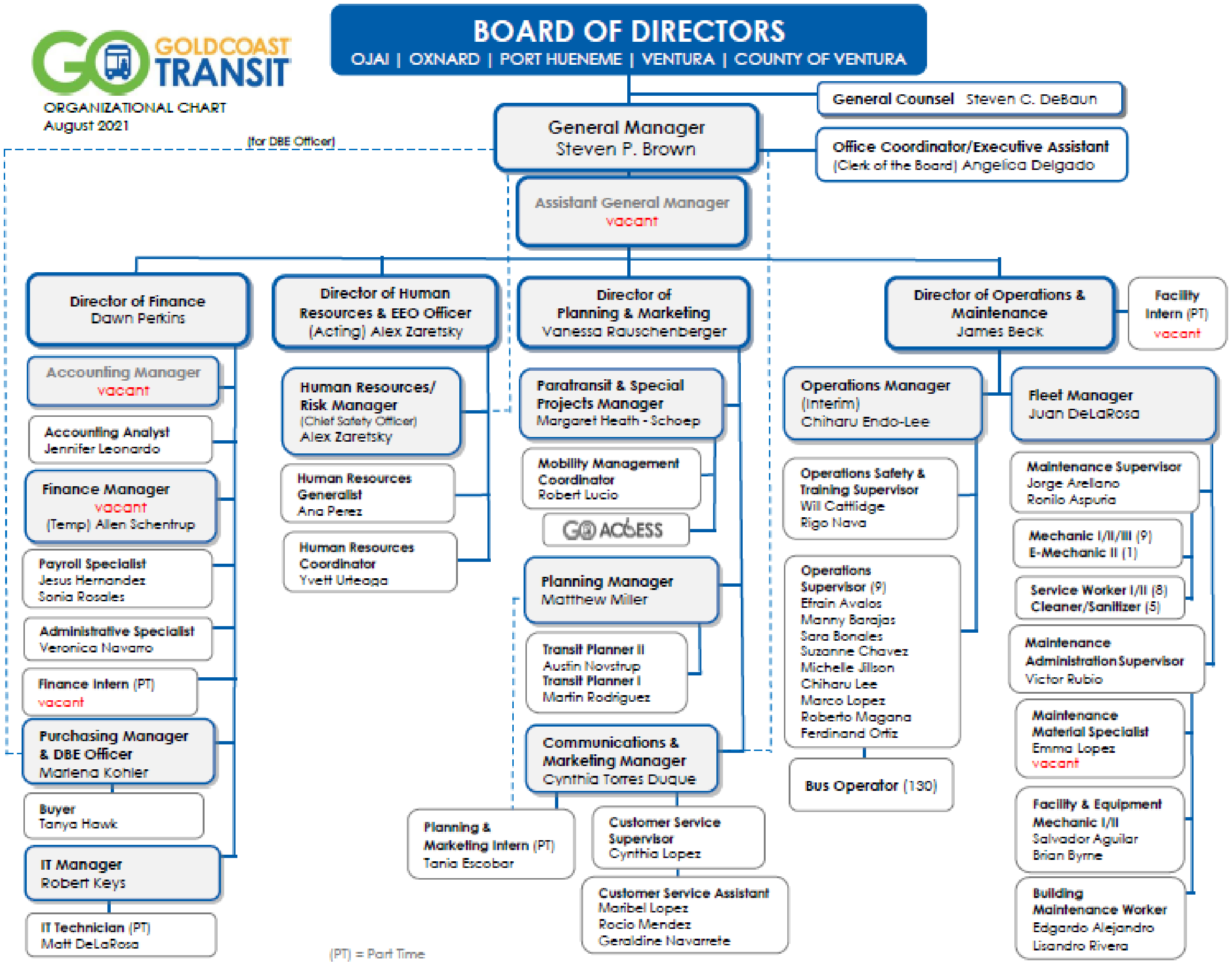
GCTD’s General Manager is appointed by, and reports to, the Board of Directors (Board). The General Manager is charged with carrying out the Board’s policies and directives and has full charge of the operation of GCTD’s services, facilities, and administration of business affairs. GCTD's Management Team for FY 2020-21 was comprised of:

- **General Manager - Steven P. Brown**
- Assistant General Manager – *vacant*
- Director of Finance –Dawn Perkins
- Director of Operations & Maintenance – James Beck
- Director of Planning & Marketing – Vanessa Rauschenberger
- Director of Human Resources – (Acting) 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



GOLD COAST TRANSIT DISTRICT
BUS SYSTEM MAP

FINANCIAL SECTION

This page intentionally left blank.

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Gold Coast Transit District (the District) as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic 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 respective financial position of the District, as of June 30, 2021, and the respective changes in financial position, and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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, the Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions – Pension Plan, and Schedule of Changes in the Net OPEB Liability and Related Ratios on pages 20-30 and 66-68 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedules of Changes in Local Transportation Funding Activity of the District and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
September 28, 2022

This page intentionally left blank.

BROWN
ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANTS

www.ba.cpa
661-324-4971

INDEPENDENT AUDITOR'S 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*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Gold Coast Transit District (the District), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise District's basic financial statements and have issued our report thereon dated September 28, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-01 that we consider to be a material weakness.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95219
209-451-4833

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-01.

Gold Coast Transit District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
September 28, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

2021-01 – FINANCIAL REPORTING

Condition: The District did not complete year-end closing procedures in a timeframe which would have allowed the financial statements to be issued in a timely manner. The closing procedures did not include sufficient review of information before it was provided to the external auditors resulting in several post-closing adjustments and revisions to the financial statements and resulted in delays in the issuance of the financial statements causing the District to be out of compliance with state and local statutes.

Although the District received a 90-day extension though March 31, 2022, additional extensions were not authorized.

Criteria: The District should design and implement internal controls over the financial reporting and compliance processes to ensure the following: (1) that the general ledger and grant ledgers undergo adequate procedures to ensure the proper application of fiscal-year cutoff, (2) that the fiscal-year end financial statements are closed and the related financial statements supporting schedules are prepared in a timely manner allowing for a more efficient audit, and (3) that the final trial balances are subject to sufficient management review so that balances are presented in accordance with generally accepted accounting principles (GAAP).

Additionally, State Transportation Development Act (TDA) regulations in accordance with Public Utilities Code Section 99245 and CCR Section 6664 require "a report of fiscal and compliance audit made by an independent auditor shall be submitted by each claimant within 180 days after the end of the fiscal year, except that the responsible entity, as defined in Section 6663, may grant an extension of up to 90 days as it deems necessary. No allocation shall be made to any claimant that is delinquent in its submission of a fiscal and compliance audit report."

Cause of Condition: The District experienced significant turnover of finance and accounting personnel and challenges related to the COVID pandemic which made it impossible to follow established policies and procedures related to internal controls over financial reporting and compliance.

Effect of Condition: Untimely closing and financial statement preparation procedures resulted in delayed audits of financial statements and compliance. The District was out of compliance with state regulations resulting in delays in receipt of grant funds due to delays in the completion of required audits.

Recommendation: We recommend the District implement strong internal policies and procedures and provide sufficient cross-training to staff to ensure that a comprehensive closing of the general ledger is performed in a timely manner and that sufficient resources and adequate oversight are available to oversee the District's year-end closing procedures and preparation of the financial statement supporting schedules.

View of Responsible Officials and Planned Corrective Action: The District has replaced finance and accounting staff and retained the services of a consulting CPA firm to be responsible for oversight of the year-end closing procedures and review of financial transactions to ensure reports are prepared and submitted within statutory timelines.

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, 2021. We encourage readers to consider the information presented here in conjunction with the transmittal letter contained in the Introductory Section and with the statements and related notes contained in the Financial Section.

ACTIVITIES AND HIGHLIGHTS

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

Due to COVID and the stay-at-home orders, all transit ridership is down significantly over the prior year.

GCTD owns 88 passenger and paratransit revenue vehicles, primarily fueled with clean burning compressed natural gas (CNG) from GCTD's owned and operated CNG fueling station. In Fiscal Year (FY) 2020-21, GCTD vehicles carried approximately 2.0 million passengers while traveling over 2.6 million miles in revenue service.

GCTD operates a fleet of 62 fixed-route passenger buses. In FY 2020-21, GCTD fixed-route passenger buses traveled 2.0 million miles of revenue service and provided 1,891,011 passenger boardings, a decrease of 36% from the previous year's boardings.

In FY 2020-21, the ACCESS paratransit system traveled 633,722 miles of revenue service and transported 61,938 passengers, a decrease of 35% from the previous year. The GCTD ACCESS service is operated under contract by MV Transportation, Inc. GCTD owns the paratransit fleet, which consists of 26 vehicles, including 13 MV1 vans, 5 gasoline ford transit vans, and 8 cutaway vans.

	2021	2020	Increase (Decrease)
Fixed Passenger Route	1,891,011	2,958,867	-36.09%
ACCESS Paratransit One-Way Trips	61,938	95,245	-34.97%
Total Boardings	1,952,949	3,054,112	-36.06%

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

LTF increased substantially through the early 2000s and peaked in FY 2006-07; it was highly impacted by the recession that followed. After decreasing 35% from FY 2006-07 to FY 2009-10, LTF funding allocated to GCTD member jurisdiction (by population) has returned to its pre-recession level. In FY 2020-21 GCTD received $16,100,145 in gross LTF funding. Due to the continued impact of COVID-19 and statewide orders to remain at home, GCTD's LTF for FY 2020-21 was reduced from the previous year.

In FY 2014-15, 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 2020-21 GCTD provided to its members $1,503,426 in net LTF funding.

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 that provides federal funds used for GCTD operating activities. GCTD expended $2,588,567 in Section 5307 grant funds for eligible operating activities in FY 2020-21. $163,251 was expended for Enhanced Mobility of Seniors and Individuals with Disabilities. GCTD also used Federal Congestion Mitigation and Air Quality Improvement (CMAQ) funds for bus replacements. GCTD expended $1,451,141 in CMAQ funds replacing three buses and $616,179 towards Ventura Road (Route 23) operations in FY 2020-21. GCTD expended $7,931,252 in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding in FY 2020-21.

Another revenue source for GCTD is State Transportation Assistance (STA). Although STA accounts for less than 0.01% of GCTD revenues ($243,716 in FY 2020-21), STA does provide significant funding for competing Ventura County transit priorities such as Metrolink and Ventura County Transportation Commission (VCTC) Intercity Transit. GCTD expended $240,383 in STA funds for operating activities in FY 2020-21.

GASB STATEMENTS NO. 68 AND NO. 71

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 2014-15, GASB Statements No. 68 and No. 71 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 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, 2021 is $14,531,003.

Note 10 to the basic financial statements addresses the GASB Statements No. 68 and No. 71 requirements in substantially greater detail.

GASB STATEMENTS NO. 74 AND 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 as 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 premium not paid by the District. For context, in 2021, GCTD pays $149.00 per month per employee.

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, 2021, GCTD's investment in CERBT was valued at $683,730.

Beginning with the FY 2017-2018 fiscal year, public agencies are required to report OPEB liabilities in accordance with GASB Statements No. 74 and 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, 2021 is $169,847.

Note 4 to the basic financial statements addresses the GASB Statements No. 74 and No. 75 requirements in substantially greater detail.

FINANCIAL POSITION SUMMARY

GCTD's total net position for FY 2020-21 is $43,883,726, a 3.93% decrease from last year's restated net position of $45,677,591.

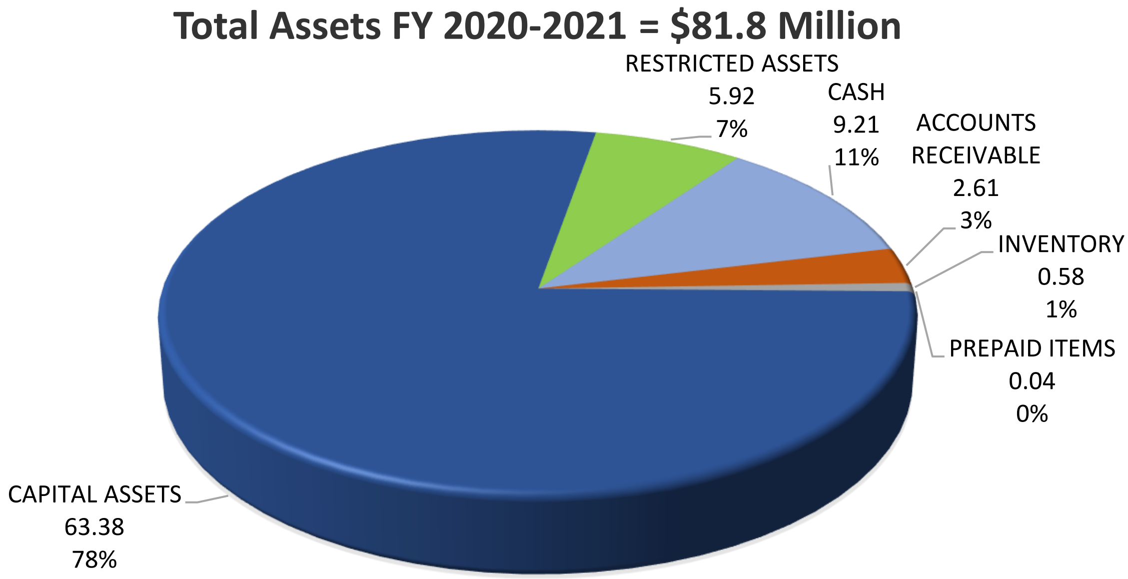
Condensed Statements of Net Position

	6/30/2021	6/30/2020 (As Restated)
Assets		
Current Assets	$ 12,445,955	$ 13,528,315
Capital Assets (Net)	63,382,037	65,195,340
All Other Assets	5,922,727	5,915,487
Total Assets	81,750,719	84,639,142
Deferred Outflows of Resources	3,528,402	3,392,613
Total Assets and Deferred Outflows of Resources	$ 85,279,121	$ 88,031,755
Liabilities		
Current Liabilities	$ 4,130,059	$ 5,382,388
Non-Current Liabilities	36,849,923	36,212,987
Total Liabilities	40,979,982	41,595,375
Deferred Inflows of Resources	415,413	758,789
Net Position		
Net Investment in Capital Assets	40,977,211	42,360,891
Restricted	5,909,245	5,944,030
Unrestricted (Deficit)	(3,002,730)	(2,627,330)
Total Net Position	43,883,726	45,677,591
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 85,279,121	$ 88,031,755

The largest 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. The increase in capital assets is primarily due to work in process (WIP) on the construction of the new GCTD Operations and Administration Facility in north Oxnard.

Restricted net position are those 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 2009-10, when the Board of Directors approved a two-phase fare increase. The first phase took effect on January 24, 2010, and the second phase took effect on August 21, 2011. The base cash fare for GCTD fixed route buses is $1.50, and by policy the paratransit fare is automatically set at twice the amount of the fixed route fare, or $3.00.

GCTD last restructured its multi-ride ticket and monthly pass program in October 2013. GCTD's current 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)	$ 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

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

Due to the efforts to ensure social distancing on board GCTD buses, fare collection was suspended in March 2020. Fare revenue collections resumed effective May 3, 2021.

Operating revenues decreased 64.30%, from $3,481,222 in FY 2019-20 to $1,242,945 in FY 2020-21. Fixed route revenues decreased 66.85% from FY 2019-20. Paratransit fare revenues decreased 90.65% in FY 2020-21 with a 35.0% decrease in passenger boardings. GCTD did not achieve its TDA-mandated minimum fare box recovery ratio of 15% overall with FY21 resulting in a combined fare box ratio of 6.7%, 7.3% for fixed route, and 1.5% for paratransit. This year GCTD was not required to meet the minimum fare box recovery ratio requirement due to the COVID-19 pandemic suspension of this regulation until FY23. GCTD will not face any penalty for not meeting the minimum required fare box recovery ratio.

Operating expenses before depreciation decreased $1,069,387 or 3.86% from $27,671,728 to $26,602,341. The largest single factor for the decrease was insurance. The year-to-year operating expenses decrease was primarily driven by:

1. A $107,613 or 5.3% increase in medical benefit contribution costs, resulting from a 5.0% increase in GCTD's medical benefit contribution for FY 2020-21.

2. A $161,525 or 7.71% decrease in vehicle and facility parts and services expense, resulting from a reduction in the number of tires purchased and the overall parts/services purchased as the newly purchased bus replacements have been put online.

3. A $988,330 or 41.04% decrease in insurance costs, including a $231,637 or 17.05% decrease in workers' compensation insurance and a $756,693 or 72.06% decrease in liability and other insurances. The transit liability insurance market conditions should see continued growth into FY 2021-22; however, GCTD was successful in increasing its self-insured level to reduce premiums in FY 2020-21.

Condensed Statements of Activities and Changes in Net Position

	2021	2020 (As Restated)	Increase/ (Decrease)
Operating Revenues	$ 1,242,945	$ 3,481,222	$ (2,238,277)
Operating Expenses	(26,602,341)	(27,671,728)	1,069,387
Operating Loss Before Depreciation	(25,359,396)	(24,190,506)	(1,168,890)
Depreciation	(3,797,278)	(3,384,578)	(412,700)
Operating Loss	(29,156,674)	(27,575,084)	(1,581,590)
Non-Operating Revenues/(Expenses), Net	27,362,809	33,018,456	(5,655,647)
(Loss)/Income	(1,793,865)	5,443,372	(7,237,237)
Net Position, as Restated Beginning of Year	45,677,591	40,234,219	5,443,372
End of Year	$ 43,883,726	$ 45,677,591	$ (1,793,865)

REVENUES

A summary of revenues for the year ended June 30, 2021, including the amount of change in relation to prior year amounts, is as follows:

	2021	Percentage of Total	2020	Percentage of Total	Increase/ (Decrease)
Operating Revenues					
Fixed Route Passenger Fares	$ 263,402	0.90%	$ 1,880,378	4.72%	$ (1,616,976)
Paratransit Fees	45,063	0.20%	481,785	1.21%	(436,722)
Advertising	219,549	0.70%	207,378	0.51%	12,171
Other Operating	714,931	2.40%	911,681	2.29%	(196,750)
Total Operating Revenues	1,242,945	4.20%	3,481,222	8.73%	(2,238,277)
Non-Operating Revenues					
Local Transportation Funds, net	14,596,719	49.40%	18,142,280	45.54%	(3,545,561)
Federal Grants	12,913,641	43.70%	16,723,497	41.98%	(3,809,856)
State Funding	523,605	1.80%	1,275,869	3.20%	(752,264)
Other and Investment	279,596	0.90%	218,556	0.55%	61,040
Total Non-Operating Revenues	28,313,561	95.80%	36,360,202	91.27%	(8,046,641)
Total Revenues	$ 29,556,506	100.00%	$ 39,841,424	100.00%	$(10,284,918)

Operating Revenues

Fixed Route Passenger Fares

Passenger fare revenues for fixed route bus service decreased $1,616,976 from FY 2019-20 to FY 2020-21, as the result of a 36.09% decrease in passenger boardings and suspension of fares due to the pandemic.

Paratransit Fares

Paratransit fee fare revenues decreased $436,722 as the result of a decrease in local fare support for paratransit and the Medi-Cal Administrative Activities (MAA) service reimbursements from Ventura County ceased at the end of FY 2019-20. GCTD's FY 2020-21 boardings for fixed route and paratransit service decreased again for the second year from FY 2019-20 due to the COVID-19 pandemic.

Note: In order 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. Due to the suspension of this regulation, GCTD will not face any penalty for not meeting the minimum required fare box recovery ratio.

Advertising Revenue

Advertising Income - GCTD has been selling commercial bus advertising since FY 2006-07 and continues to attract advertising contracts from both local and national entities. Program revenue peaked in FY 2013-14 at over $230,000. In FY 2020-21 GCTD generated $219,549 in advertising revenues, an increase of $12,171 from the previous year. GCTD anticipates continued advertising revenue growth in the coming years.

Other Operating Revenue

Alternative Fuel Excise Tax Credit - GCTD has received funds from the federal government's Alternative Fuel Excise Tax Credit program for many years based on its use of CNG as a vehicle fuel. The program, which was anticipated to expire, has continued with revenue of $478,678 of in FY 2020-21, a decrease of $23,495 from the prior year.

Energy Credit Revenue - Commencing in FY 2014-15, 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. In FY 2017-18 GCTD was able to negotiate improved terms for the remaining option years of our third-party gas supply contract. In FY 2020-21, GCTD received $236,253 from the generation and sale of state and federal credits, a decrease of $173,255 or $42.31% from the FY 2019-20 revenues of $409,508. The market for these credits is based on regulation and demand and can be volatile, however, this program has been very beneficial to GCTD.

Non-Operating Revenues

Local Transportation Funds (LTF)

On July 1, 2014, Gold Coast Transit became Gold Coast Transit District (GCTD) as the result of state legislation signed by Governor Brown in October 2013. As a Transit District, 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 2020-21 GCTD claimed $14,956,962 in LTF funds; of that amount, $1,503,426 was claimed by GCTD's members for their transit service requirements. GCTD used $13,453,536 for current year operations and made no contribution to GCTD's capital reserve in FY 2020-21. GCTD carried $1,638,445 in unearned prior year LTF funds into FY 2020-21 and recognized FY 2018-19 unearned LTF funds as revenue in FY2020-21, leaving $495,262 as the amount carried over for use in a future year.

Federal Grants

GCTD's second largest source of operating revenue is grants from the Federal Transit Administration (FTA). GCTD recognized $12,913,641 in total Federal Section 5307 funds in the FY 2020 Program of Projects (POP) approved by VCTC. To receive these funds, GCTD must spend the funds and request payments based on the percentage allowable by formula, on a percentage basis and deducting the total allowable expenses by revenues required in the grant documents. In FY 2020-21, GCTD used $7,931,252 in Federal CARES Act funds, an increase of $2,776,505 from the prior year. GCTD also used $2,873,133 of operating assistance, $1,946,005 of bus related funding, and $163,251 enhanced mobility of seniors and individuals with disabilities, a decrease of $6,546,483 from the prior year.

State Funding

STA and SGR - GCTD also receives State Transportation Assistance (STA) and State of Good Repair (SGR) funding. In FY 2020-21 the State Controller's Office (SCO) allocated GCTD $243,716 in STA funds and $57,027 in SGR funds. STA and SGR funds can be used for specific eligible activities, such as for local match for Federal grants, operating activities, or preventive maintenance. The STA and SGA funds decreased $164,496 from the prior year primarily as STA projects were winding down.

LCTOP and Prop 1B – GCTD participates in the Low Carbon Transit Operations Program (LCTOP) and receives funding for approved mobility projects. GCTD also receives Proposition 1B grant funding for various operating and capital asset projects. There were no new projects in FY 2020-21 and prior projects were winding down; thus, revenues decreased $214,396 in the current year.

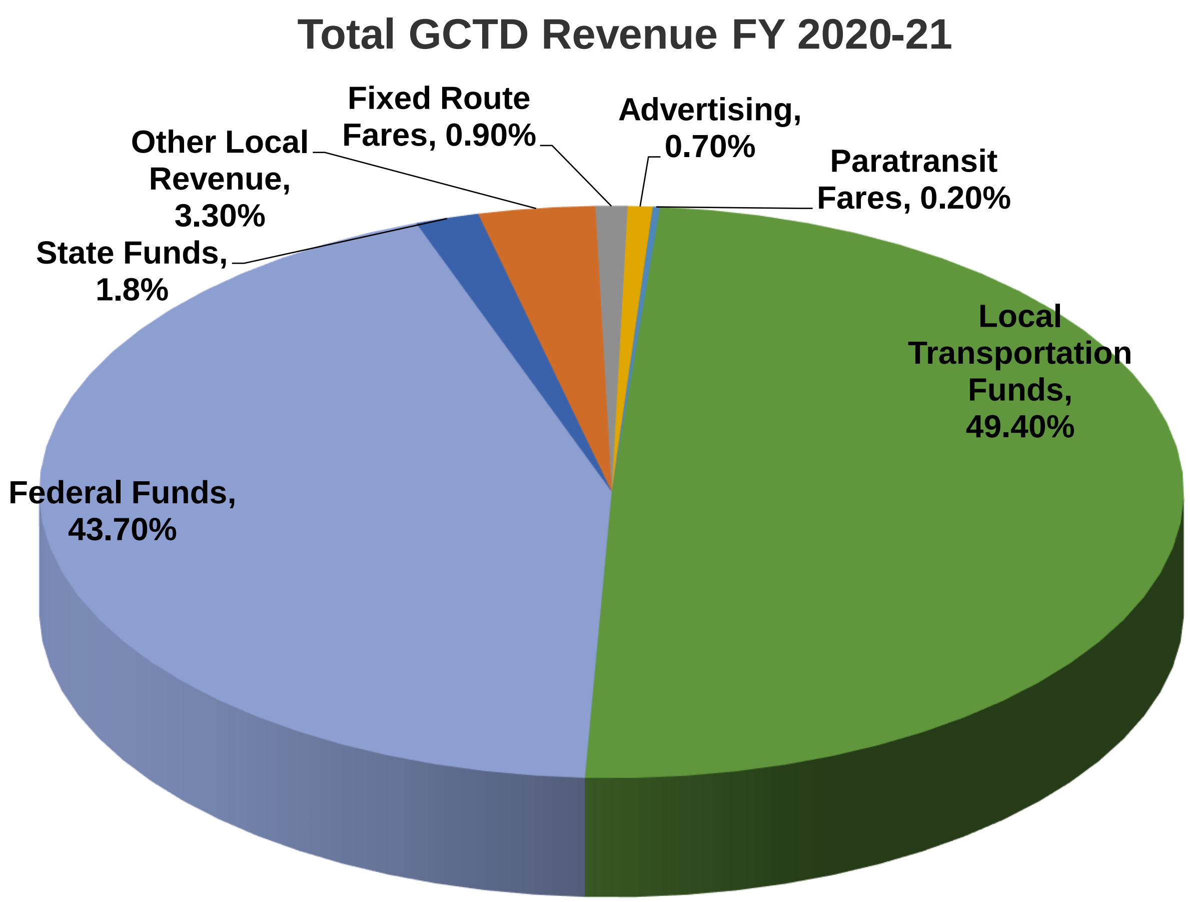
State Grants - GCTD receives through Ventura County Public Health partial reimbursement under the Medi-Cal Administrative Activities (MAA) program for providing Medi-Cal eligible trips on the GCTD ACCESS service. Medi-Cal Reimbursement funding is based on establishing eligibility on a trip-by-trip basis and is calculated and received well in arrears; for that reason, GCTD records these funds in the year received rather than the year earned. In FY 2019-20 GCTD received $263,521 from this program. In FY 2020-2, GCTD had $0 revenue as the program was closed in the prior year, resulting in a decrease of $263,521 in the current year. GCTD received $140,000 in FY 2019-20 related to the Hybrid and Zero – Emission Truck and Bus Voucher Incentive Project (HVIP) – Engine replacement program and $0 in FY 2020-21, resulting in a $140,000 decrease in the current year.

Other and Investment

Investment earnings represent interest earnings and fair market adjustments on temporary investments with the State of California Local Agency Investment Fund (LAIF) and on money market funds held at Union Bank. GCTD earned $92,361 in FY 2019-20 compared to $25,205 in FY 2020-21, a decrease of $67,156 from the previous year due to unfavorable market changes.

Other revenue consists primarily of sale of equipment and scrap material and insurance proceeds. GCTD earned $254,213 in FY 2020-21, an increase of $128,288 from the prior year, primarily due to the receipt of insurance proceeds.

The following chart shows the major sources of operating and non-operating revenues for the year ended June 30, 2021, as a percentage of total revenues:



EXPENSES

A summary of expenses for the year ended June 30, 2021, including the amount and percentage of change in relation to prior year amounts, is as follows:

	2021	Percentage of Total	2020	Percentage of Total	Increase/ (Decrease)
Operating Expenses					
Vehicle Operation	$ 13,222,510	43.50%	$ 14,343,836	46.20%	$ (1,121,326)
Vehicle Maintenance	4,939,024	16.20%	4,199,157	13.50%	739,867
Planning and Marketing	1,229,163	4.00%	1,210,785	3.90%	18,378
Operations and Administration	4,258,069	14.00%	4,664,458	15.00%	(406,389)
Paratransit	2,953,575	9.70%	3,253,492	10.50%	(299,917)
Operating Expenses before Depreciation	26,602,341	87.40%	27,671,728	89.10%	(1,069,387)
Depreciation	3,797,278	12.50%	3,384,578	10.90%	412,700
Total Operating Expenses	$ 30,399,619	100.00%	$ 31,056,306	100.00%	$ (656,687)

Vehicle Operation costs for FY 2020-21 were 7.82% lower than in FY 2019-20. The largest factor of the cost decrease was a 77.06% decrease in uniforms and 79.35% decrease in materials and supplies. This was partially offset by a 448.34% increase in training costs.

Maintenance costs for FY 2020-21 were 17.62% higher than in FY 2019-20. The cost increase was primarily attributable to higher costs in utilities, environmental fees, as well as tires/tubes.

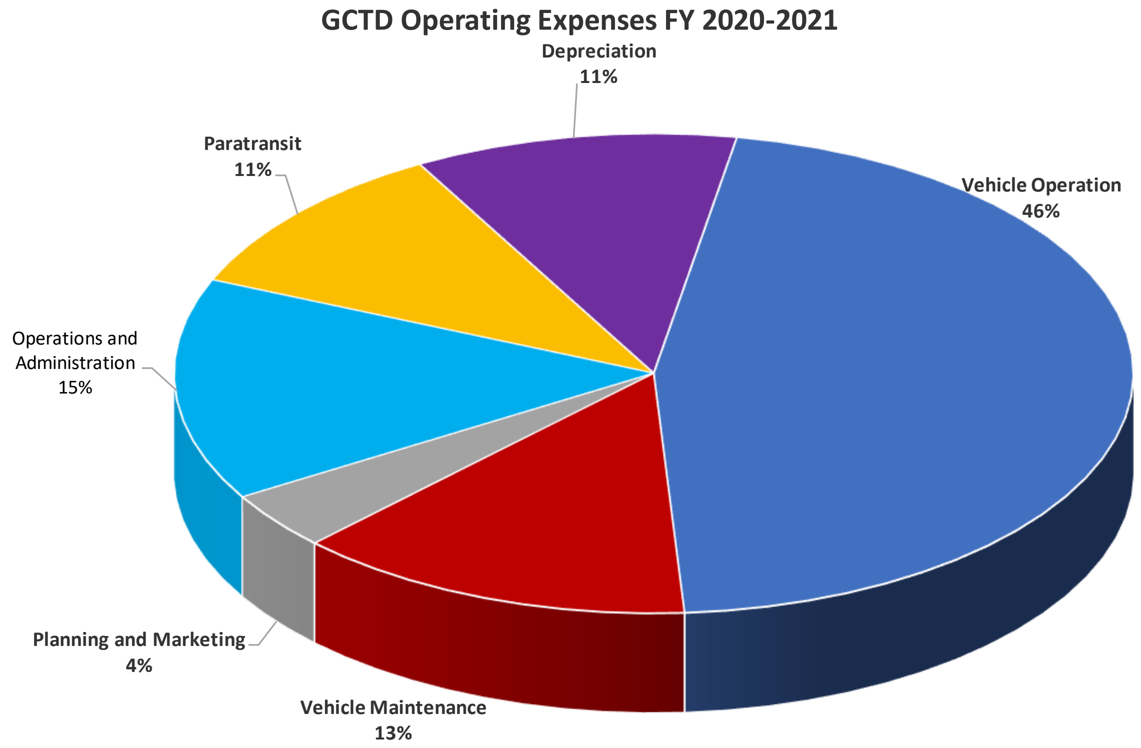
Administration Department costs for FY 2020-21 were 8.71% lower than in FY 2019-20. The cost decrease is the result of decreases in insurance costs, primarily public liability insurance and offset by increased workers compensation costs, supplies, and training. An offset of 64.46% increase in losses from disposition of surplus assets and 242.93% increase in legal costs due to investigations and deductibles for legal liabilities.

Planning and Marketing department costs for FY 2020-21 were 1.52% higher than in FY 2019-20. The increase in Planning and Marketing was driven primarily by an increase in Advertising/Promotions.

Paratransit operations costs for FY 2020-21 were 9.22% lower than in FY 2019-20. The decrease is primarily the result of a 58.37% decrease in fuel/lubricants and 111.75% in training due to the ongoing pandemic. This decrease in operating costs was offset by an increase in workers compensation and health insurance.

Total operating expenses before depreciation were 3.86% lower driven largely by insurance and contract maintenance service.

The following chart shows major cost categories and the percentage of operating expenses for the year ended June 30, 2021:



BASIC FINANCIAL STATEMENTS

GCTD's basic financial statements are prepared on an accrual basis of accounting in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. GCTD is structured 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 (except for 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 2020-21, GCTD added $2,059,900 in capital additions. Some of the major additions included $1,749,682 for 3 compressed natural gas-powered buses, and $31,040 for an electric powered vehicle.

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 Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and California Office of Emergency Services (Cal-OES) Safety and Security programs, both of which may be used to match federal funds but neither of which require local matching funds. The ten-year window for Proposition 1B funds is nearly complete but some funds remain.

ECONOMIC AND STRATEGIC FACTORS

GCTD now operates a facility that can support both recent growth and future growth. The commitment GCTD made in taking on long-term debt for addressing the future transit needs with the larger facility continues importance on State and Federal transit funding.

LTF, GCTD's most important funding source, appears to be not growing but has stabilized as the economy continues to grow. Although the District made a commitment 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 without a dedicated transportation tax. This not only limits GCTD's ability to grow and provide more robust transit service to the community but also has resulted in limiting GCTD's ability to compete for State and Federal grant funds. Ventura County voters failed in November 2016 to approve a one-half cent sales tax to fund needed 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.

From a labor perspective, GCTD this year continues under the current agreement which runs through June 30, 2023. Service Employees International Union #721 (SEIU) represents approximately 80% of GCTD's employees. The three Memoranda of Understanding (MOUs) with SEIU run through June 30, 2021. Labor negotiations started in January of 2020 with SEIU.

Since 1995 GCTD has used CNG to fuel its entire bus and paratransit fleet and most of its service vehicles. GCTD owns and operates a natural gas compression station, as it will in its new facility. GCTD continued to realize benefits from its contract with GHI 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 has ordered an additional eight (8) CNG buses for delivery next fiscal year. GCTD will be running its CNG bus fleet for many years. It is apparent from California legislative activity as well as Federal grants programs, however that the industry is swiftly heading toward a future with zero emission buses. GCTD's Board of Directors is looking toward the future and recently made the commitment to move the agency toward zero emission buses for future fleet purchases.

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 the District to proceed with debt funding to complete and move into a new facility to prepare for future growth. GCTD will seek new or additional revenue sources to increase the level of service to the people of Western Ventura County.

GCTD actively pursues all relevant grant opportunities. It is important to note that discretionary grants do not provide recurring revenue. GCTD has undertaken several initiatives to increase revenues, such as on-board advertising sales, reimbursement for Medi-Cal eligible paratransit transportation and the generation and sale of LCFS and RIN credits. GCTD will continue to aggressively seek revenue opportunities from initiatives such as these – SB1 has the potential to fill the gap. It is important that a means of local financial support for Ventura County transit is identified and implemented.

REQUESTS FOR INFORMATION

This financial report is designed to provide GCTD's members, customers, stakeholders and other interested parties with an overview of GCTD's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Dawn Perkins, Director of Finance, at Gold Coast Transit District, 1901 Auto Center Drive, Oxnard, California, 93036.

This page intentionally left blank.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

GOLD COAST TRANSIT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	
Current assets:	
Cash and investments	$ 9,214,791
Receivables	19,323
Due from other governments	2,593,608
Inventories and prepaid items	618,233
Total current assets	12,445,955
Non-current assets:	
Restricted cash and investments:	
Cash with fiscal agent	5,922,727
Total restricted assets	5,922,727
Capital assets:	
Land	8,981,061
Buildings and improvements	50,299,775
Machinery and equipment	39,593,598
Less accumulated depreciation	(35,492,397)
Total capital assets (net)	63,382,037
Total non-current assets	69,304,764
Total assets	81,750,719
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferred outflows	3,473,145
OPEB related deferred outflows	55,257
Total deferred outflows of resources	3,528,402
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	1,808,226
Unearned revenue	495,262
Accrued interest payable	500,343
Accrued compensated absences - current	881,605
Certificates of participation payable - current	444,623
Total current liabilities	4,130,059
Non-Current liabilities:	
Non-current liabilities – due in more than one year:	
Accrued compensated absences	188,870
Certificates of participation payable	21,960,203
Net pension liability	14,531,003
Net OPEB liability	169,847
Total non-current liabilities	36,849,923
Total liabilities	40,979,982
DEFERRED INFLOWS OF RESOURCES	
Pension related deferred inflows	72,442
OPEB related deferred inflows	342,971
Total deferred inflows of resources	415,413
NET POSITION	
Net investment in capital assets	40,977,211
Restricted for capital acquisitions	3,624,364
Restricted for debt service	2,284,881
Unrestricted (deficit)	(3,002,730)
Total net position	$ 43,883,726

See accompanying notes to the basic financial statements.

GOLD COAST TRANSIT DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Operating revenues:	
Passenger fares:	
Fixed route	$ 263,402
Paratransit	45,063
Advertising revenue	219,549
Other operating	714,931
Total operating revenues	1,242,945
Operating expenses:	
Vehicle operation	13,222,510
Vehicle maintenance	4,939,024
Planning and marketing	1,229,163
Operations and administration	4,258,069
Paratransit	2,953,575
Depreciation	3,797,278
Total operating expenses	30,399,619
Operating (loss)	29,156,674
Non-operating revenues (expenses) and transfers:	
Local transportation funding, net	16,100,145
Federal grants	12,913,641
State transit assistance	243,716
State and local grants	203,599
Low Carbon Transit Operations Program (LCTOP)	76,290
Investment earnings	25,383
Local assistance to other agencies	(1,503,426)
Interest expense, net	(950,752)
Other revenue	254,213
Total non-operating revenues (expenses) and transfers	27,362,809
Change in net position	(1,793,865)
Net position:	
Beginning of year, as restated	45,677,591
End of year	$ 43,883,726

See accompanying notes to the basic financial statements.

GOLD COAST TRANSIT DISTRICT
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Cash flows from operating activities:	
Receipts from customers and users	$ 690,625
Payments to suppliers	(7,845,433)
Payments to employees	(18,200,545)
Other operating revenues	934,480
Net cash (used) by operating activities	$ (24,420,873)
Cash flows from noncapital financing activities:	
Proceeds from local transportation funding	14,956,962
Proceeds from federal funding	16,825,724
Proceeds from state transit assistance	243,716
Proceeds from state funding	279,889
Payments to other agencies	(1,503,426)
Proceeds from other noncapital funding	252,259
Net cash provided by noncapital financing activities	31,055,124
Cash flows from capital and related financing activities:	
Principal paid on loans, bonds, and capital leases	(375,000)
Proceeds from capital grants	1,472,357
Interest paid on loans, bonds, and capital leases	(1,010,063)
Purchase of capital assets	(2,059,900)
Net cash (used) by capital and related financing activities	(1,972,606)
Cash flows from investing activities:	
Interest and dividends on investments	22,863
Net cash provided by investing activities	22,863
Net increase in cash and cash equivalents	4,684,508
Cash and cash equivalents:	
Beginning of year	10,453,010
End of year	$ 15,137,518

See accompanying notes to the basic financial statements.

GOLD COAST TRANSIT DISTRICT
STATEMENT OF CASH FLOWS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Reconciliation of operating (loss) to net cash (used) by operating activities:	
Operating (loss)	$ (29,156,674)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:	
Depreciation	3,797,278
Loss on capital asset	75,925
(Increase)/decrease in receivables	382,160
(Increase)/decrease in inventories and prepaid items	(4,452)
(Increase)/decrease in deferred outflows - pension	(107,589)
(Increase)/decrease in deferred outflows - OPEB	(28,200)
Increase/(decrease) in accounts payable and accrued expenses	(513,704)
Increase/(decrease) in accrued compensated absences	99,665
Increase/(decrease) in net pension liability	1,320,380
Increase/(decrease) in net OPEB liability	57,714
Increase/(decrease) in deferred inflows - pension	(315,520)
Increase/(decrease) in deferred inflows - OPEB	(27,856)
Total adjustments	4,735,801
Net cash (used) by operating activities	$ (24,420,873)

Non-cash investing, capital and financing transactions:

There were no non-cash activities.

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

NOTE 1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

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

The District was previously a joint powers authority created in 1973 by the Cities of Ojai, Oxnard, Port Hueneme, and San Buenaventura (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 County of Ventura (the County) were added as participating members. Each of these governments is represented on the District's Board of Directors (the Board).

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.

B. Basis of Accounting, Measurement Focus, and Financial Reporting

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

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

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 activities 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.

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

NOTE 1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

The District reports the following funds:

Operating Fund accounts for all revenues and other receipts that are not allocated by law or contractual agreements to some other funds. 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, 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. Use of Estimates

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

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

E. Investments

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment earnings comprise interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value, and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value on the statement of net position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

NOTE 1 – <u>REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

F. Materials and Supplies Inventory

Materials and supplies inventory consist 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. The inventory balance was $582,976 at June 30, 2021.

G. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements. The prepaid balance was $35,257 at June 30, 2021.

H. Bond Premiums and Issuance Costs

Premiums are amortized over the respective lives of debt using the straight-line method.

I. Capital Assets

Capital assets are stated at cost, net of accumulated depreciation, except for the portions acquired by contribution, which are recorded at fair value at the time received. The capitalization threshold for any reporting capital assets is $5,000. Depreciation is based on the estimated useful lives of the assets, which range from 3 to 30 years, using the straight-line method.

The estimated useful lives of the assets are as follows:

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

J. 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.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employes' Retirement System (CalPERS) 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 CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

NOTE 1 – <u>REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

K. Pensions (Continued)

The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation date	June 30, 2019
Measurement date	June 30, 2020
Measurement period	July 1, 2019 to June 30, 2020

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

L. Other Postemployment Benefits (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 District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Accounting principles generally accepted in the United States of America require that the reported results must pertain to liability and asset information within certain defined timeframes.

U.S. GAAP requires that the reported results pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date:	June 30, 2019
Measurement Date:	June 30, 2020
Measurement Period:	July 1, 2019 to June 30, 2020

M. Unearned – Local Transportation Funding

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

N. Grant Funding

Grants for operating assistance and capital acquisitions are included in their respective non-operating sections of the statement of activities 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.

NOTE 1 – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. 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 non-operating 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.

P. Net Position

In the statement of net position, net position is categorized in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt attributed to the acquisition, construction, or improvement of those assets.

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

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

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

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and investments as June 30, 2021 are classified in the accompanying financial statements as follows:

Cash and investments	$ 9,214,791
Restricted - cash and investments	5,922,727
Total cash and investments	$ 15,137,518

Cash, cash equivalents, and investments as of June 30, 2021 consist of the following:

Cash on hand	$ 500
Deposits held with financial institutions	1,111,859
Investments	14,025,159
Total cash, cash equivalents, and investments	$ 15,137,518

A. Demand Deposits

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC).

The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are held for, and in the name of, the local government.

B. Custodial Credit Risk

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

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools, such as Local Agency Investment Fund (LAIF) and Ventura County Pooled Investment Fund (VCPIF).

As of June 30, 2021, none of the District's deposits and investments were exposed to disclosable custodial credit risk.

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

C. Investments

The District's investments as of June 30, 2021, are as follows:

Investment Type	Measurement Input	Credit Rating	Fair Value	Remaining Maturity in (Months) 12 Months or Less
LAIF	Uncategorized	N/A	$ 100,680	$ 100,680
Money market accounts held with financial institutions	Level 2	AAA	8,001,752	6,001,752
Money market accounts held in trust with debt trustee	Level 2	AAA	2,572,689	2,572,689
VCPIF - restricted	Level 2	AAAF/S-1+	3,350,038	3,350,038
Total			$ 14,025,159	$ 12,025,159

D. Authorized Investments and Investment Policy

The District has adopted an investment policy directing the Fiscal Officer to deposit funds in financial institutions. Investments are to be made in the following areas:

External Investment Pools:
- LAIF
- VCPIF

Non-negotiable certificates of deposit
Governmental agency securities

E. Investment in California Local Agency Investment Fund (LAIF)

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

The District's investments with LAIF at June 30, 2021 included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

***Structured Notes*:** debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

***Asset-Backed Securities*:** generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

The District had $100,680 invested in LAIF, which had invested 0.33% of the pooled investment funds as of June 30, 2021, in structured notes and medium-term asset-backed securities. The LAIF fair value factor of 1.00008297 was used to calculate the fair value of the investments in LAIF as of June 30, 2021.

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

F. Ventura County Pooled Investment Fund (VCPIF)

The District is a voluntary participant in the VCPIF and the District determines the amount and term of its investment. The County Treasurer makes investments in accordance with a Statement of Investment Policy reviewed and approved annually by the Board of Supervisors. The Treasury Investment Oversight Committee comprised of the County Treasurer, a representative of the Board of Supervisors, the County Investment Manager, a representative of the County Superintendent of Schools, and other Treasury Department support staff meets semi-annually to review the activities of the Treasurer and provide a report to the Board of Supervisors. Further information about the VCPIF is available on the County Treasurer-Tax Collector's website: www.ventura.org/ttc/.

The County's Treasurer has indicated to the District that as of June 30, 2021 the value of the County's portfolio was approximately $3.02 billion. As of June 30, 2021, the District has investment in the VCPIF $3,330,536. The VCPIF fair value factor of 0.9983 was used to calculate the fair value of the investments in VCPIF as of June 30, 2021.

G. Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by U.S. GAAP. The District has presented its measurement inputs as noted in the table above.

H. 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, 2021, the District's investment in the LAIF was not rated as noted in the table above.

I. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy follows the California Government Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the table above.

J. Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in LAIF or the VCPIF.

NOTE 3 – RESTRICTED ASSETS

Restricted assets as June 30, 2021 were classified in the accompanying basic financial statements as follows:

Restricted - cash and investments	$ 5,922,727
Total restricted assets	$ 5,922,727

Restricted assets as of June 30, 2021 consisted of the following:

Proceeds from debt issuance	$ 2,572,689
Ventura County pooled investment fund	3,350,038
Total restricted assets	$ 5,922,727

NOTE 4 – OPEB

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.

Employees Covered – As of the June 30, 2019 valuation, the following current and former employees were covered by the benefit terms for the OPEB Plan:

Active employees	190
Inactive employees or beneficiaries currently receiving benefits	10
Inactive employees entitled to but not yet receiving benefit payments	-
	200

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, 2021 the District contributed $0 to the California Employers' Retiree Benefit Trust Fund (CERBT) irrevocable trust and $24,618 for member expenses as the pay-as-you-go portion, resulting in total payments of $24,618.

NOTE 4 – <u>OPEB</u> (Continued)

A. General Information about the OPEB Plan (Continued)

Net OPEB Liability – The District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was the plan fiduciary net position of the CERBT held with CalPERS. The following actuarial methods and assumptions were used:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	7.00%
Inflation	2.63%
Trend	4.00%
Salary increases	2.75% per annum, in aggregate
Investment rate of return	7.00%
Mortality rate table	Derived using CalPERS' membership data for all funds (1)
Post retirement benefit increases	Derived using CalPERS' membership data for all funds (2)

(1) The mortality assumptions are based on the 2014 CalPERS Active Mortality for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

(2) The turnover assumptions are based on the 2009 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

The long-term expected rate of return on OPEB Plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Global Equity	59.00%	7.6750%
Global Debt Securities	25.00%	4.3800%
Real Estate Investment Trusts	8.00%	7.3800%
Commodities	3.00%	7.6750%
Treasury Inflation Protected Securities	5.00%	3.1300%
Total	100%	
Long-term expected rate of return		**7.00%**

NOTE 4 – OPEB (Continued)

A. General Information about the OPEB Plan (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be sufficient to fully fund the obligation over a period not to exceed 34 years. Historic 34-year real rates of return for each asset class along with the assumed long-term inflation assumption were used to set the discount rate. The expected investment return was offset by the investment expenses of 13 basis points. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries.

Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability – The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	OPEB Plan Fiduciary Net Position	Net OPEB Liability/ (Asset)
Balance at June 30, 2019, Measurement Date	$ 772,836	$ 660,703	$ 112,133
Changes in the Year:			
Service Cost	43,130	-	43,130
Interest on the Total OPEB Liability	54,999	23,350	31,649
Contribution - Employer	-	24,618	(24,618)
Experience Gains/Losses	7,230	-	7,230
Administrative Expenses	-	(323)	323
Benefit Payments	(24,618)	(24,618)	-
Net Changes	80,741	23,027	57,714
Balance at June 30, 2020, Measurement Date	$ 853,577	$ 683,730	$ 169,847

A. General Information about the OPEB Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2020:

	Discount Rate	
1% Decreasee	Current	1% Increase
$ 295,350	$ 169,847	$ 67,913

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability, as well as what the 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	Trend Valuation	1% Increase
Net OPEB Liability	$ 57,461	$ 169,847	$ 307,280

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Recognition of Deferred Outflows and Deferred Inflows of Resources – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows of resources and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the fiscal year ended June 30, 2021, the District recognized OPEB expense of $24,618. As of fiscal year ended June 30, 2021, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	$ 27,158	$ -
Investment (Gains)/Losses	21,393	(1,115)
Experience (Gains)/Losses	6,706	(341,856)
Total	$ 55,257	$ (342,971)

NOTE 5 – CAPITAL ASSETS

Summary of change in capital assets for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	$ 8,981,061	$ -	$ -	$ 8,981,061
Total capital assets not being depreciated	8,981,061	-	-	8,981,061
Capital assets, being depreciated:				
Buildings and improvements	50,529,426	-	(229,651)	50,299,775
Vehicles and equipment	37,533,698	2,059,900	-	39,593,598
Total capital assets being depreciated	88,063,124	2,059,900	(229,651)	89,893,373
Less accumulated depreciation for:				
Buildings and improvements	(7,650,683)	(989,701)	153,726	(8,486,658)
Vehicles and equipment	(24,198,162)	(2,807,577)	-	(27,005,739)
Total accumulated depreciation	(31,848,845)	(3,797,278)	153,726	(35,492,397)
Total capital assets being depreciated, net	56,214,279	(1,737,378)	(75,925)	54,400,976
Capital assets, net	$ 65,195,340	$ (1,737,378)	$ (75,925)	$ 63,382,037

Depreciation expense for the year ended June 30, 2021 was $3,797,278.

NOTE 6 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at June 30, 2021 consist of the following amounts:

Accounts payable - vendors	$ 1,251,437
Accrued wages and benefits	556,789
Total	$ 1,808,226

NOTE 7 – UNEARNED – LOCAL TRANSPORTATION FUNDING

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.

Unearned – Local Transportation Funding for the fiscal year ended June 30, 2021:

Year Received	Amount Authorized	Unearned LTF Amount	Year to be Recognized
2019-2020	$14,844,127	$495,262	2021-2022

NOTE 8 – <u>COMPENSATED ABSENCES</u>

Compensated absences comprise unpaid vacation leave, sick leave, and compensated time off which is accrued as earned. The District's liability for compensated absences is determined annually. Changes in the compensated absences balance for the fiscal year ended June 30, 2021 is as follows:

Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Current Balance	Noncurrent Balance
$ 970,810	$ 1,117,121	$ (1,017,456)	$ 1,070,475	$ 881,605	$ 188,870

NOTE 9 – <u>CERTIFICATES OF PARTICIPATION</u>

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 farebox 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.

Changes in the certificates of participation balance for the year were as follows:

	Balance June 30, 2020	Reductions	Balance June 30, 2021	Due Within One Year	Due in more than One Year
Certificates of Participation	$ 21,305,000	$ (375,000)	$ 20,930,000	$ 390,000	$ 20,540,000
Premium	1,529,449	(54,623)	1,474,826	54,623	1,420,203
Total	$ 22,834,449	$ (429,623)	$ 22,404,826	$ 444,623	$ 21,960,203

The certificates of participation payment schedule for amounts due at June 30, 2021 is as follows:

Fiscal Year End	Principal	Interest	Total
2022	$ 390,000	$ 990,938	$ 1,380,938
2023	410,000	970,938	1,380,938
2024	435,000	949,813	1,384,813
2025	455,000	929,269	1,384,269
2026	475,000	909,506	1,384,506
2027-2031	2,755,000	4,160,813	6,915,813
2032-2036	3,510,000	3,410,681	6,920,681
2037-2041	4,330,000	2,587,425	6,917,425
2042-2046	5,535,000	1,378,125	6,913,125
2047-2048	2,635,000	133,373	2,768,373
Total	$ 20,930,000	$ 16,420,881	$ 37,350,881

NOTE 10 – NET PENSION LIABILITY AND THE DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description

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

Benefits Provided

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

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.7% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. For employees hired on or after January 1, 2013, who are current members of CalPERS or a reciprocal agency as of December 31, 2012 and have not been separated from service from such agency for more than six months, the retirement benefit is 2.7% at 55 years of age, highest annual average compensation during any consecutive 36-month period (3-year final compensation). For all other employees hired on or after January 1, 2013, the retirement benefit is 2.0% at 62 years of age, 3-year final compensation.

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

The eventual decision in the State of California v. United States Department of Labor (E.D.Cal. Dec. 30, 2014, Civ. No. 2:13-cv-2069 KJM DAD) ended the exemption from PEPRA for transit workers resulting from AB 1222 (codified in Government Code Section 7522.02, subsection (a)(3)).

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

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

NOTE 10 – NET PENSION LIABILITY AND THE DEFINED BENEFIT PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

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

The Plan's provisions and benefits in effect at June 30, 2020, (Measurement Date) are summarized as follows:

	Miscellaneous Plan	
	Tier 1	Tier 2
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7%@55	2.0%@62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50-55	52-67
Monthly Benefits, as a Percentage of Eligible Compensation	2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates	8.000%	6.750%
Required Employer Contribution Rates	10.840%	10.840%

Employees Covered

At June 30, 2021, the following employees were covered by the benefit terms for the Plan:

Active employees	186
Transferred and terminated employees	169
Retired employees and beneficiaries	127
Total	482

Contributions

Section 20814(c) of the PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total Plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

As of the fiscal year ended June 30, 2021, the contributions for the Plan were as follows:

Contributions - employer	$ 2,318,825
Contributions - employee member	821,090
Total	$ 3,139,915

NOTE 10 – NET PENSION LIABILITY AND THE DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.65%
Salary Increases	Varies by Entry Age and Service [1]
Payroll Growth	2.875%
Investment Rate of Return	7.25% [2]
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds [3]
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

[1] Depending on age, service, and type of employment.

[2] Net of pension plan investment and administrative expenses, including inflation.

[3] The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2020 was 7.15 percent. 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, 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.

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, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

NOTE 10 – NET PENSION LIABILITY AND THE DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

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

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 [a]	Real Return Years 11+ [b]
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

[a] An expected inflation of 2.00% used for this period.
[b] An expected inflation of 2.920% used for this period.

C. Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the year ended June 30, 2020 measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019 (Valuation Date)	$ 59,464,227	$ 46,253,604	$ 13,210,623
Changes Recognized:			
Service Cost	1,882,223	-	1,882,223
Interest on the Total Pension Liability	4,245,655	-	4,245,655
Differences between Actual and Expected Experience	348,824	-	348,824
Contributions - Employer	-	2,113,162	(2,113,162)
Contributions - Employee	-	797,278	(797,278)
Net Investment Income	-	2,311,088	(2,311,088)
Administrative Expense	-	(65,206)	65,206
Benefit Payments, Including Refunds of Employee Contributions	(2,748,719)	(2,748,719)	-
Net Changes	3,727,983	2,407,603	1,320,380
Balance at June 30, 2020 (Measurement Date)	$ 63,192,210	$ 48,661,207	$ 14,531,003

NOTE 10 – NET PENSION LIABILITY AND THE DEFINED BENEFIT PENSION PLAN (Continued)

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

The following presents the net pension liability of the Plan, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate:

Plan's Net Pension Liability/(Asset)		
Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
$ 22,884,570	$ 14,531,003	$ 7,612,890

E. Pension Plan Fiduciary Net Position

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

F. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the District incurred a pension expense of $3,217,256 for the Plan. At June 30, 2021, the District reported deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions to pension plan made after the measurement date	$ 2,318,825	$ -
Difference between projected and actual earnings on pension plan investments	424,178	-
Changes in assumptions	-	(72,442)
Net difference between projected and actual experience	730,142	-
Total	$ 3,473,145	$ (72,442)

The $2,318,825 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, as determined by CalPERS, in the measurement year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	Deferred Outflows/(Inflows) of Resources
2021	$ 92,287
2022	430,076
2023	351,351
2024	208,164
2025	-
Thereafter	-
Total	$ 1,081,878

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS

The net investment in capital assets balance consisted of the following balances at June 30, 2021:

Net investment in capital assets:	
Capital assets - not being depreciated	$ 8,981,061
Capital assets, net - being depreciated	54,400,976
Certificates of participation	(22,404,826)
Total net investment in capital assets	$ 40,977,211

NOTE 12 – RESTRICTED NET POSITION

LTF granted for operating assistance is to be used to purchase new buses, fareboxes, coach equipment, facility and other improvements as part of a service expansion program, and related interest earnings included in restricted net position at June 30, 2021, are as follows:

Amounts held for capital grants	$	274,326
Restricted for capital acquisition		3,350,038
	$	3,624,364
Restricted for debt service		2,284,881
Total resticted net position	$	5,909,245

NOTE 13 – UNRESTRICTED (DEFICIT) NET POSITION

As of June 30, 2021, the District has an unrestricted net position deficit of $3,002,730. Due to the nature of the deficit from the net pension liability of $14,531,003, the District will continue to make its annual required contributions to CalPERS and annually review its outstanding net pension obligation funding requirements for future periods to reduce the deficit net 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 FY2020-21 to fund operations was $243,716. There was $3,333 of STA funding receivable recognized in due from other governmental agencies at June 30, 2021.

NOTE 15 – OTHER STATE ASSISTANCE

A. Proposition 1B Grant (Prop. 1B)

The California Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), approved by the voters as Proposition 1B (Prop. 1B) in November 2006, authorized the issuance of $19.9 billion in general obligation bonds for the purpose of improving highway safety, traffic reduction, air quality, and port security. The District utilizes this funding for various operating and capital asset projects.

B. Public Transportation Modernization, Improvement, and Service Enhancement Account

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the $19.925 billion of state general obligation bonds authorized, $4 billion was set aside by the State as instructed by statute as the PTMISEA. These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement. The District utilizes this funding for various operating capital asset projects.

C. 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 2015-16. The District requested and received funding for a project in the year ended June 30, 2016.

D. 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 FY 202-21 was $ 57,027 and was used for engine replacements. There was $7,388 SGR funding recognized as due from other governmental agencies at June 30, 2021.

Other State Assistance received and utilized for the fiscal year ended June 30, 2021, was as follows:

A. Proposition 1B Grant (Prop. 1B)
B. Public Transportation Modernization, Improvement, and Service Enhancement Account
C. Low Carbon Transit Operations Program (LCTOP)

	Prop. 1B Grant	PTMISEA	LCTOP	Total
Beginning net position - July 1, 2020	$ 177,718	$ 80,300	$ 58,315	$ 316,333
Proceeds received	-	-	76,290	76,290
Capital assets program purchases:				
New facility	-	-	-	-
Replacement buses/engines	-	(58,040)	-	(58,040)
Fare Support - Token Transit	-	-	(60,434)	(60,434)
Total capital asset program purchases	-	(58,040)	(60,434)	(118,474)
Investment earnings allocated	-	119	58	177
Change in net position	-	(57,921)	15,914	(42,007)
Ending net position - June 30, 2021	$ 177,718	$ 22,379	$ 74,229	$ 274,326

NOTE 16 – DEFERRED COMPENSATION SAVINGS PLAN

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

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. The three program trustees are Nationwide, Mass Mutual, and ICMA Retirement Corp.

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 these Programs, the assets and related liabilities are not presented in the accompanying basic 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 purchases blanket insurance coverage limits from commercial brokers as follows:

CNG fueling station	$ 9,343,100
Buildings and structures	$ 20,947,611
Business and property	$ 5,335,000
Boiler and machinery	$ 1,310,000

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.

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

NOTE 18 – COMMITMENTS

A. Operating Lease

In fiscal year 2018, the District finalized a 10-year extension of the Oxnard Transit Center lease that commenced on January 1, 2017. Future estimated lease payments are as follows:

Fiscal Year Ended	Estimated Rent
2022	$ 13,096
2023	13,489
2024	13,894
2025	14,311
2026	14,740
2027	7,479
Total	$ 77,009

B. 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.

C. Grant Funding

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

D. Operating Fare Revenue Ratio

The District is required to maintain a ratio of fares to operating costs of at least 20% for either the combined service of fixed route and paratransit service or meeting the goals separately (i.e., 20% for fixed route and 10% for paratransit service) to continue to be eligible for LTF. For the fiscal year ended June 30, 2021, the District was not required to meet the minimum fare box recovery requirement due to the COVID-19 pandemic suspension of this regulation. The District will not face any penalty for not meeting the minimum, required fare box recovery ratio.

NOTE 19 – RESTATEMENT OF BEGINNING NET POSITION

During the year ended June 30, 2021, the District determined that a correction to the beginning of the year net assets was necessary to properly state unearned revenues. As a result, the beginning of year net assets has been restated to show the effects of this correction.

Beginning balances, as originally reported	$ 44,435,287
Decrease in unearned revenue	1,242,304
Beginning balances, as restated	$ 45,677,591

NOTE 20 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 28, 2022, the date these basic financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. In response, the County, followed by the Governor of California, issued a Shelter at Home order effective March 19, 2020, requiring certain non-essential businesses to temporarily close to the public. At the current time, management is unable to quantify the potential effects of this pandemic on its future financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

This page intentionally left blank.

GOLD COAST TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
AN AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE LAST SEVEN YEARS ENDED JUNE 30, 2020*

Measurement Period	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Total Pension Liability							
Service Cost	$ 1,882,223	$ 1,878,369	$ 1,830,138	$ 1,829,423	$ 1,569,279	$ 1,569,756	$ 1,439,195
Interest on Total Pension Liability	4,245,655	3,988,180	3,701,748	3,498,403	3,299,586	3,107,585	2,955,928
Differences between Expected and Actual Experience	348,824	856,414	131,794	5,749	(243,014)	(621,259)	-
Changes in Assumptions	-	-	(344,098)	2,867,527	-	(742,987)	-
Benefit Payments, Including Refunds of Employee Contributions	(2,748,719)	(2,483,737)	(2,329,043)	(2,214,742)	(1,935,932)	(1,912,604)	(1,860,423)
Net Change in Total Pension Liability	3,727,983	4,239,226	2,990,539	5,986,360	2,689,919	1,400,491	2,534,700
Total Pension Liability - Beginning	59,464,227	55,225,001	52,234,462	46,248,102	43,558,183	42,157,692	39,622,992
Total Pension Liability - Ending (a)	$ 63,192,210	$ 59,464,227	$ 55,225,001	$ 52,234,462	$ 46,248,102	$ 43,558,183	$ 42,157,692
Plan Fiduciary Net Position							
Contributions - Employer	$ 2,113,162	$ 1,899,815	$ 1,721,226	$ 1,635,904	$ 1,585,400	$ 1,301,520	$ 1,192,180
Contributions - Employee	797,278	798,356	786,067	722,714	731,597	660,103	629,617
Net Plan to Plan Resource Movement	-	-	(100)	-	-	-	-
Net Investment Income	2,311,088	2,865,566	3,391,187	4,019,509	171,677	782,090	5,116,686
Benefit Payments, including Refunds of Employee Contributions	(2,748,719)	(2,483,737)	(2,329,043)	(2,214,742)	(1,935,932)	(1,912,604)	(1,860,423)
Administrative Expenses	(65,206)	(30,832)	(62,043)	(52,715)	(21,436)	(39,582)	-
Other Miscellaneous Income/(Expense), Net	-	100	(117,820)	-	-	-	-
Net Change in Plan Fiduciary Net Position	2,407,603	3,049,268	3,389,474	4,110,670	531,306	791,527	5,078,060
Plan Fiduciary Net Position - Beginning	46,253,604	43,204,336	39,814,862	35,704,192	35,172,886	34,381,359	29,303,299
Plan Fiduciary Net Position - Ending (b)	$ 48,661,207	$ 46,253,604	$ 43,204,336	$ 39,814,862	$ 35,704,192	$ 35,172,886	$ 34,381,359
Net Pension Liability - Ending [(a) - (b)]	$ 14,531,003	$ 13,210,623	$ 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	77.01%	77.78%	78.23%	76.22%	77.20%	80.75%	81.55%
Covered Payroll	$ 10,628,408	$ 10,384,621	$ 10,177,043	$ 9,898,406	$ 9,268,128	$ 8,714,571	$ 7,827,241
Net Pension Liability as a Percentage of Covered Payroll	136.72%	127.21%	118.12%	125.47%	113.77%	96.22%	99.35%

* Fiscal year 2015 was the 1st year of implementation; therefore, only seven years are shown.

Notes to Schedule:

Benefit changes. In 2020, 2019 and 2018, there were no benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014.

Changes in assumptions. In 2020, 2019, and 2018 amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of miscellaneous employees.

GOLD COAST TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
AN AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CONTRIBUTIONS – PENSION PLAN
FOR THE LAST EIGHT YEARS ENDED JUNE 30, 2021*

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contributions	$ 2,318,825	$ 2,112,002	$ 1,899,815	$ 1,721,225	$ 1,653,604	$ 1,585,400	$ 1,301,199	$ 1,192,180
Contributions in Relation to the Actuarially Determined Contributions	(2,318,825)	(2,112,002)	(1,899,815)	(1,721,225)	(1,653,604)	(1,585,400)	(1,301,199)	(1,192,180)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 10,628,408	$ 10,384,621	$ 10,177,043	$ 9,898,406	$ 10,040,567	$ 9,268,128	$ 8,714,571	$ 7,827,241
Contributions as a Percentage of Covered Payroll	21.82%	20.34%	18.67%	17.39%	16.47%	17.11%	14.93%	15.23%

* Fiscal year 2015 was the 1st year of implementation; therefore, only eight years are shown.

GOLD COAST TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS
FOR THE MEASUREMENT PERIOD ENDED JUNE 30, 2020

	Measurement Period June 30,			
	2020	2019	2018	2017
Total OPEB Liability				
Total OPEB Liability Beginning	$ 772,836	$ 1,063,500	$ 960,816	$ 865,567
Changes in the Year:				
Service Cost	43,130	54,778	53,312	51,885
Interest on the Total OPEB Liability	54,999	75,574	68,455	61,713
Experience Gains/Losses	7,230	(398,490)		
Benefit Payments	(24,618)	(22,526)	(19,083)	(18,349)
Net Changes	80,741	(290,664)	102,684	95,249
Total OPEB Liability Ending (a)	$ 853,577	$ 772,836	$ 1,063,500	$ 960,816
Plan Fiduciary Net Position				
Plan Fiduciary Net Position Beginning	$ 660,703	$ 622,413	$ 514,825	$ 399,368
Changes in the Year:				
Contribution - Employer	24,618	21,218	86,292	92,280
Net Investment Income	23,350	43,564	38,357	41,882
Investment Gains/Losses	-	(5,141)	2,789	-
Administrative Expenses	(323)	(133)	(957)	(356)
Benefit Payments	(24,618)	(21,218)	(19,083)	(18,349)
Other	-	-	190	-
Net Changes	23,027	38,290	107,588	115,457
Plan Fiduciary Net Position Ending (b)	$ 683,730	$ 660,703	$ 622,413	$ 514,825
Net OPEB Liability ending [(a) - (b)]	$ 169,847	$ 112,133	$ 441,087	$ 445,991
Plan fiduciary net position as a percentage of the total OPEB liability	80.10%	85.49%	58.52%	53.58%
Covered Payroll	$ 10,628,408	$ 10,384,621	$ 10,244,305	$ 9,904,665
Net OPEB liability as a percentage of covered payroll	1.60%	1.08%	4.31%	4.50%

Notes to the Schedule:

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

SUPPLEMENTARY INFORMATION

This page intentionally left blank.

GOLD COAST TRANSIT DISTRICT
SCHEDULE OF CHANGES IN LOCAL TRANSPORTATION FUNDING ACTIVITY OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

			Cash and Investments Restricted Balance
Local Transportation Funding			
Beginning balance:			
Liability:			
Unearned local transportation funding - June 30, 2020		$1,638,445	
Net position:			
Resticted for capital acquisitions - June 30, 2020		3,276,831	
Total beginning balance	$	4,915,276	$ 4,915,276
Current year operating revenue			
Local transportation funding	$	13,453,536	
Fiscal year 2018-2019 unearned local transportation funding portion recognized as revenue		1,143,183	(1,143,183)
Fiscal Year 2020-2021 local transportation funds revenue recognized	$	14,596,719	
Current year capital revenue:			
Local capital grants - interest earnings	$	44,121	
Local capital grants - market valuation of investment		(21,918)	
Fiscal year 2020-2021 local capital grants revenue recognized	$	22,203	22,203
Current year operating uses and capital acquisitions:			
Operations - current year unused local transportation funds		(57,004)	57,004
Capital acquisitions - current year use of local transportation funds		6,000	(6,000)
Current year change in net position			73,207
Total ending balance			$ 3,845,300
Ending balance:			
Liability:			
Unearned local transportation funding - June 30, 2021	$	495,262	
Net position:			
Restricted for capital acquisitions - June 30, 2021		3,350,038	
Total ending balance	$	3,845,300	$ 3,845,300

STATISTICAL SECTION
(UNAUDITED)

This page intentionally left blank.

GOLD COAST TRANSIT DISTRICT
FINANCIAL RATIOS
JUNE 30, 2015 TO JUNE 30, 2021

Current Ratio:

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

			Ratio
2021	Current Assets	$ 12,445,955	3.01:1
	Current Liabilities	$ 4,130,059	
2020	Current Assets	$ 13,528,315	2.51:1
	Current Liabilities	$ 5,382,388	
2019	Current Assets	$ 7,084,673	1.17:1
	Current Liabilities	$ 6,046,565	
2018	Current Assets	$ 8,364,115	0.61:1
	Current Liabilities	$ 13,600,652	
2017	Current Assets	$ 9,882,036	0.99:1
	Current Liabilities	$ 9,983,839	
2016	Current Assets	$ 11,335,824	1.09:1
	Current Liabilities	$ 10,432,628	
2015	Current Assets	$ 15,531,471	2.10:1
	Current Liabilities	$ 7,406,526	

Quick Ratio:

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

			Ratio
2021	Cash and Cash Equivalents Plus	$ 9,214,791	2.86:1
	Receivables Within 30 Days	$ 2,612,931	
	Current Liabilities	$ 4,130,059	
2020	Cash and Cash Equivalents Plus	$ 4,537,523	2.40:1
	Receivables Within 30 Days	$ 8,377,011	
	Current Liabilities	$ 5,382,388	
2019	Cash and Cash Equivalents Plus	$ 3,777,364	0.90:1
	Receivables Within 30 Days	$ 2,604,119	
	Current Liabilities	$ 7,084,673	
2018	Cash and Cash Equivalents Plus	$ 7,125,279	0.57:1
	Receivables Within 30 Days	$ 646,912	
	Current Liabilities	$ 13,600,652	
2017	Cash and Cash Equivalents Plus	$ 5,378,788	0.93:1
	Receivables Within 30 Days	$ 3,923,512	
	Current Liabilities	$ 9,983,839	
2016	Cash and Cash Equivalents Plus	$ 5,856,275	1.02:1
	Receivables Within 30 Days	$ 4,755,284	
	Current Liabilities	$ 10,432,628	
2015	Cash and Cash Equivalents Plus	$ 12,430,280	2.00:1
	Receivables Within 30 Days	$ 2,409,984	
	Current Liabilities	$ 7,406,526	

GOLD COAST TRANSIT DISTRICT
FINANCIAL RATIOS
JUNE 30, 2015 TO JUNE 30, 2021

Debt Ratio:

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

			Ratio
2021	Total Liabilities	$ 40,979,982	50.13%
	Total Assets	$ 81,750,719	
2020	Total Liabilities	$ 41,595,375	49.14%
	Total Assets	$ 84,639,142	
2019	Total Liabilities	$ 41,786,433	53.64%
	Total Assets	$ 77,896,448	
2018	Total Liabilities	$ 50,278,180	58.79%
	Total Assets	$ 85,524,381	
2017	Total Liabilities	$ 44,616,846	61.33%
	Total Assets	$ 72,743,765	
2016	Total Liabilities	$ 19,198,398	43.28%
	Total Assets	$ 44,362,326	
2015	Total Liabilities	$ 15,501,839	40.86%
	Total Assets	$ 37,940,533	

GOLD COAST TRANSIT DISTRICT
REVENUES AND EXPENSES – TEN YEAR COMPARISON
FISCAL YEARS 2012 TO 2021

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Operations:					
Passenger Fares	$ 3,303,563	$ 3,148,100	$ 3,714,914	$ 4,022,983	$ 3,369,769
Operating Expenses	(16,404,321)	(16,642,267)	(18,531,482)	(19,381,448)	(20,547,884)
Depreciation Expense	(3,016,832)	(2,924,100)	(2,519,756)	(2,405,787)	(2,843,634)
Operating Loss	(16,117,590)	(16,418,267)	(17,336,324)	(17,764,252)	(20,021,749)
Non-Operating Revenues:					
Local Transportation Funds	8,595,776	8,976,087	9,631,812	8,869,456	10,601,709
State Funds	220,821	196,076	192,000	174,425	207,973
Federal Funds	4,042,074	4,074,383	4,733,271	5,469,611	4,930,720
Investment Earnings	14,540	15,758	13,885	12,449	15,816
Other Income/(Expense), Net	227,547	231,864	245,601	832,524	1,421,897
Total Non-Operating Revenues	13,100,758	13,494,168	14,816,569	15,358,465	17,178,115
Net Loss	$ (3,016,832)	$ (2,924,099)	$ (2,519,755)	$ (2,405,787)	$ (2,843,634)

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

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Actual Dollars	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448	$ 20,547,881
Constant Dollars (2007)	$ 15,101,011	$ 15,115,249	$ 16,533,584	$ 17,155,881	$ 17,873,084
CPI Percent Change	1.6%	1.4%	1.8%	0.8%	1.8%
Index Number (1982 = 100)	236.0	239.2	243.5	245.5	249.8
Cumulative Percent	8.6%	10.1%	12.1%	13.0%	15.0%

GOLD COAST TRANSIT DISTRICT
REVENUES AND EXPENSES – TEN YEAR COMPARISON (Continued)
FISCAL YEARS 2012 TO 2021

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operations:					
Passenger Fares	$ 3,482,127	$ 3,403,877	$ 3,357,045	$ 3,481,222	$ 1,242,945
Operating Expenses	(22,113,345)	(23,853,669)	(24,716,841)	(27,671,728)	(26,602,341)
Depreciation Expense	(2,919,180)	(2,801,731)	(2,569,688)	(3,384,578)	(3,797,278)
Operating Loss	(21,550,398)	(23,251,523)	(23,929,484)	(27,575,084)	(29,156,674)
Non-Operating Revenues:					
Local Transportation Funds	13,338,152	13,804,353	16,130,369	18,142,280	16,100,145
State Funds	153,094	180,450	382,972	1,275,869	523,605
Federal Funds	4,335,128	4,347,696	4,341,003	16,723,497	12,913,641
Investment Earnings	22,295	43,227	44,887	92,631	25,383
Other Income/(Expense), Net	465,139	2,074,064	1,206,702	(3,215,821)	(2,199,965)
Total Non-Operating Revenues	18,313,808	20,449,790	22,105,933	33,018,456	27,362,809
Net Income (Loss)	$ (3,236,590)	$ (2,801,733)	$ (1,823,551)	$ 5,443,372	$ (1,793,865)

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

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Actual Dollars	$ 22,113,345	$ 23,853,668	$ 24,716,841	$ 27,671,728	$ 26,602,341
Constant Dollars (2007)	$ 18,821,400	$ 19,519,128	$ 19,572,499	$ 21,619,271	$ 19,984,823
CPI Percent Change	2.2%	4.0%	3.3%	1.4%	4.0%
Index Number (1982 = 100)	255.3	265.5	274.4	278.1	289.2
Cumulative Percent	17.5%	18.6%	26.3%	28.0%	33.1%

GOLD COAST TRANSIT DISTRICT
PASSENGER COST BY MODE – TEN YEAR COMPARISON
FISCAL YEARS 2012 TO 2021

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Bus - Fixed Route					
Total Passengers	3,476,408	3,566,470	3,817,758	3,908,847	3,800,673
Passenger Fare Revenue	$ 2,689,740	$ 2,708,046	$ 2,996,373	$ 3,211,258	$ 3,068,465
Local Government Fare Revenue	$ 370,000	$ 200,000	$ 390,000	$ 350,000	$ -
Total Operating Cost	$ 14,367,128	$ 14,408,626	$ 16,019,298	$ 16,723,757	$ 17,770,454
Revenue per Passenger	$ 0.774	$ 0.759	$ 0.785	$ 0.822	$ 0.807
Cost per Passenger	$ 4.133	$ 4.040	$ 4.196	$ 4.278	$ 4.676
Fare box Recovery %	18.7%	18.8%	18.7%	19.2%	17.3%
Adjusted Fare box Recovery %	21.3%	20.2%	21.1%	21.3%	24.8%
Subsidy per Passenger	$ 3.253	$ 3.225	$ 3.309	$ 3.367	$ 3.868
Subsidy %	78.7%	79.8%	78.9%	78.7%	82.7%
Bus - Paratransit					
Total Passengers	68,618	70,927	82,495	84,604	93,274
Passenger Fare Revenue	$ 168,823	$ 170,054	$ 202,324	$ 207,375	$ 255,046
Local Government Fare Revenue	$ 75,000	$ 70,000	$ 126,217	$ 254,350	$ 46,258
Total Operating Cost	$ 2,037,193	$ 2,233,641	$ 2,512,184	$ 2,657,691	$ 2,847,427
Revenue per Passenger	$ 2.460	$ 2.398	$ 2.453	$ 2.451	$ 2.734
Cost per Passenger	$ 29.689	$ 31.492	$ 30.453	$ 31.413	$ 30.528
Fare box Recovery %	8.3%	7.6%	8.1%	7.8%	9.0%
Adjusted Fare box Recovery %	12.0%	10.7%	13.1%	17.8%	16.9%
Subsidy per Passenger	$ 27.229	$ 29.095	$ 28.000	$ 28.962	$ 27.793
Subsidy %	91.7%	92.4%	91.9%	92.2%	91.0%
All Mode - Total					
Total Passengers	3,545,026	3,637,397	3,900,253	3,993,451	3,893,947
Passenger Fare Revenue	$ 2,858,563	$ 2,878,100	$ 3,198,697	$ 3,418,633	$ 3,323,511
Total Operating Cost	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448	$ 20,617,881
Revenue per Passenger	$ 0.810	$ 0.790	$ 0.820	$ 0.860	$ 0.850
Cost per Passenger	$ 4.627	$ 4.575	$ 4.751	$ 4.853	$ 5.290
Fare box Recovery %	17.4%	17.3%	18.5%	17.6%	16.2%
Adjusted Fare box Recovery %	20.1%	18.9%	21.3%	25.1%	23.7%
Subsidy per Passenger	$ 3.821	$ 3.784	$ 3.931	$ 3.997	$ 4.441
Subsidy %	82.6%	82.7%	82.7%	82.4%	84.0%

GOLD COAST TRANSIT DISTRICT
PASSENGER COST BY MODE – TEN YEAR COMPARISON (Continued)
FISCAL YEARS 2012 TO 2021

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Bus - Fixed Route					
Total Passengers	3,616,386	3,474,161	3,524,869	2,958,867	1,891,011
Passenger Fare Revenue	$ 2,936,328	$ 2,808,293	$ 2,817,393	$ 1,880,378	$ 623,402
Local Government Fare Revenue	$ -	$ -	$ -	$ -	$ -
Total Operating Cost	$ 18,949,465	$ 20,331,655	$ 21,066,532	$ 24,418,236	$ 23,648,666
Revenue per Passenger	$ 0.812	$ 0.808	$ 0.799	$ 0.636	$ 0.330
Cost per Passenger	$ 5.240	$ 5.852	$ 5.977	$ 8.253	$ 12.506
Fare box Recovery %	15.5%	13.9%	12.3%	7.7%	2.6%
Adjusted Fare box Recovery %	20.9%	25.3%	20.3%	14.2%	2.6%
Subsidy per Passenger	$ 4.428	$ 5.044	$ 5.177	$ 7.617	$ 12.176
Subsidy %	84.5%	86.2%	86.6%	92.3%	97.4%
Bus - Paratransit					
Total Passengers	102,424	114,229	117,456	95,245	61,938
Passenger Fare Revenue	$ 268,530	$ 303,830	$ 364,212	$ 481,785	$ 45,063
Local Government Fare Revenue	$ 277,269	$ 291,754	$ 175,440	$ 263,521	$ -
Total Operating Cost	$ 3,163,880	$ 3,522,013	$ 3,650,309	$ 3,253,492	$ 2,953,675
Revenue per Passenger	$ 2.622	$ 2.660	$ 3.101	$ 5.058	$ 0.728
Cost per Passenger	$ 30.890	$ 30.833	$ 31.078	$ 34.159	$ 47.688
Fare box Recovery %	8.5%	8.6%	10.0%	14.8%	1.5%
Adjusted Fare box Recovery %	19.3%	17.4%	14.8%	22.9%	1.5%
Subsidy per Passenger	$ 28.268	$ 28.173	$ 27.977	$ 29.101	$ 46.960
Subsidy %	91.5%	91.4%	90.0%	85.2%	98.5%
All Mode - Total					
Total Passengers	3,718,810	3,588,390	3,642,325	3,054,112	1,952,949
Passenger Fare Revenue	$ 3,204,858	$ 3,112,123	$ 3,181,605	$ 2,362,163	$ 668,465
Total Operating Cost	$ 22,113,345	$ 23,853,668	$ 24,716,841	$ 27,671,728	$ 26,602,341
Revenue per Passenger	$ 0.860	$ 0.870	$ 0.870	$ 0.770	$ 0.340
Cost per Passenger	$ 5.950	$ 6.650	$ 6.790	$ 9.060	$ 13.620
Fare box Recovery %	14.5%	13.1%	12.9%	8.5%	2.5%
Adjusted Fare box Recovery %	20.7%	24.1%	19.5%	14.7%	4.2%
Subsidy per Passenger	$ 5.085	$ 5.780	$ 5.912	$ 8.287	$ 13.279
Subsidy %	85.5%	86.9%	87.1%	91.5%	97.5%

GOLD COAST TRANSIT DISTRICT
SERVICE COST BY MODE – TEN YEAR COMPARISON
FISCAL YEARS 2012 TO 2021

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Bus - Fixed Route					
Revenue Miles	1,752,942	1,850,676	2,044,386	2,111,023	2,168,198
Revenue Hours	168,491	181,417	196,925	199,418	201,903
Total Operating Cost	$ 14,367,128	$ 14,408,626	$ 16,019,298	$ 16,723,757	$ 17,700,454
Cost per Revenue Mile	$ 8.20	$ 7.79	$ 7.84	$ 7.92	$ 8.16
Cost per Revenue Hour	$ 85.27	$ 79.42	$ 81.35	$ 83.86	$ 87.67
Bus - Paratransit					
Revenue Miles	462,927	482,005	552,342	581,041	663,954
Revenue Hours	29,524	30,649	36,210	36,876	43,007
Total Operating Cost	$ 2,037,193	$ 2,233,641	$ 2,512,184	$ 2,657,691	$ 2,847,427
Cost per Revenue Mile	$ 4.40	$ 4.63	$ 4.55	$ 4.57	$ 4.29
Cost per Revenue Hour	$ 69.00	$ 72.88	$ 69.38	$ 72.07	$ 66.21
All Mode - Total					
Revenue Miles	2,215,869	2,332,681	2,596,728	2,692,064	2,832,152
Revenue Hours	198,015	212,066	233,135	236,294	244,910
Total Operating Cost	$ 16,404,321	$ 16,642,267	$ 18,531,482	$ 19,381,448	$ 20,547,881
Cost per Revenue Mile	$ 7.40	$ 7.13	$ 7.14	$ 7.20	$ 7.26
Cost per Revenue Hour	$ 82.84	$ 78.48	$ 79.49	$ 82.02	$ 83.90

GOLD COAST TRANSIT DISTRICT
SERVICE COST BY MODE – TEN YEAR COMPARISON (Continued)
FISCAL YEARS 2012 TO 2021

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Bus - Fixed Route					
Revenue Miles	2,185,626	2,163,750	2,165,288	1,990,876	2,043,999
Revenue Hours	202,938	201,970	201,630	186,905	173,947
Total Operating Cost	$ 18,949,465	$ 20,331,655	$ 21,066,532	$ 24,418,236	$ 23,648,666
Cost per Revenue Mile	$ 8.67	$ 9.40	$ 9.73	$ 12.27	$ 11.57
Cost per Revenue Hour	$ 93.38	$ 100.67	$ 104.48	$ 130.65	$ 135.95
Bus - Paratransit					
Revenue Miles	735,001	802,841	777,043	619,952	511,051
Revenue Hours	49,188	61,006	50,704	39,935	29,951
Total Operating Cost	$ 3,163,880	$ 3,522,013	$ 3,650,309	$ 3,253,492	$ 2,953,675
Cost per Revenue Mile	$ 4.30	$ 4.39	$ 4.70	$ 5.25	$ 5.78
Cost per Revenue Hour	$ 64.32	$ 57.73	$ 71.99	$ 81.47	$ 98.62
All Mode - Total					
Revenue Miles	2,920,627	2,966,591	2,942,331	2,610,828	2,555,050
Revenue Hours	252,126	262,976	252,334	226,840	203,898
Total Operating Cost	$ 22,113,345	$ 23,853,668	$ 24,716,841	$ 27,671,728	$ 26,602,341
Cost per Revenue Mile	$ 7.57	$ 8.04	$ 8.40	$ 10.60	$ 10.41
Cost per Revenue Hour	$ 87.71	$ 90.71	$ 97.95	$ 121.99	$ 130.47

GOLD COAST TRANSIT DISTRICT
RIDERSHIP AND SERVICE – TEN YEAR COMPARISON
FISCAL YEARS 2012 TO 2021

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Passengers					
Fixed Route	3,476,408	3,566,470	3,817,758	3,908,847	3,800,673
Paratransit	68,618	70,927	82,495	84,604	93,274
Total	3,545,026	3,637,397	3,900,253	3,993,451	3,893,947
Revenue Miles					
Fixed Route	1,752,942	1,850,676	2,044,386	2,111,023	2,168,198
Paratransit	462,927	482,005	552,342	581,041	663,954
Total	2,215,869	2,332,681	2,596,728	2,692,064	2,832,152
Revenue Hours					
Fixed Route	168,491	181,417	196,925	199,418	201,903
Paratransit	29,524	30,649	36,210	36,876	43,007
Total	198,015	212,066	233,135	236,294	244,910
Passengers per Mile					
Fixed Route	1.98	1.93	1.87	1.85	1.75
Paratransit	0.15	0.15	0.15	0.15	0.14
Total	1.60	1.56	1.50	1.48	1.37
Passengers per Hour					
Fixed Route	20.63	19.66	19.39	19.60	18.82
Paratransit	2.32	2.31	2.28	2.29	2.17
Total	17.90	17.15	16.73	16.90	15.90
Bus - Fixed Route					
Cost per Boarding	$ 4.13	$ 4.04	$ 4.20	$ 4.28	$ 4.66
Bus - Paratransit					
Cost per Boarding	$ 29.69	$ 31.49	$ 30.45	$ 31.41	$ 30.53

GOLD COAST TRANSIT DISTRICT
RIDERSHIP AND SERVICE – TEN YEAR COMPARISON (Continued)
FISCAL YEARS 2012 TO 2021

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Passengers					
Fixed Route	3,616,386	3,474,161	3,524,869	2,958,867	1,891,011
Paratransit	102,424	114,229	117,456	95,245	61,938
Total	3,718,810	3,588,390	3,642,325	3,054,112	1,952,949
Revenue Miles					
Fixed Route	2,185,626	2,163,750	2,165,288	1,990,876	2,043,999
Paratransit	735,001	802,841	777,043	619,952	511,051
Total	2,920,627	2,966,591	2,942,331	2,610,828	2,555,050
Revenue Hours					
Fixed Route	202,938	201,970	201,630	186,905	173,947
Paratransit	49,188	61,006	50,704	39,935	29,951
Total	252,126	262,976	252,334	226,840	203,898
Passengers per Mile					
Fixed Route	1.65	1.61	1.63	1.49	0.93
Paratransit	0.14	0.14	0.15	0.15	0.12
Total	1.27	1.21	1.24	1.17	0.76
Passengers per Hour					
Fixed Route	17.82	17.20	17.48	15.83	10.87
Paratransit	2.08	1.87	2.32	2.39	2.07
Total	14.75	13.65	14.43	13.46	9.58
Bus - Fixed Route					
Cost per Boarding	$ 5.24	$ 5.85	$ 5.98	$ 8.25	$ 12.51
Bus - Paratransit					
Cost per Boarding	$ 30.89	$ 30.83	$ 31.08	$ 34.16	$ 47.69

This page intentionally left blank.