



BUDGET AND FINANCIAL PLAN

2009-10 FISCAL YEAR

Deborah C. Linehan
General Manager

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Director of Administrative Services
June 3, 2009

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GUIDE TO THE BUDGET AND FINANCIAL PLAN

The Gold Coast Transit (GCT) Budget and Financial Plan for FY 2009-10 presents the agency's financial and program plan in a single document for easy reference. It describes the services provided by GCT and presents historical and anticipated costs of each function.

Budget Message and Summary

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

Expenditures

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

Capital Improvements

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

Financial Revenue

This section summarizes the financial revenue. Included are local fund contributions from GCT member governments, federal grants, state funds and farebox revenue and recovery.

Appendix

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

FY 2009-10 BUDGET AND FINANCIAL PLAN

GOLD COAST TRANSIT MISSION STATEMENT

To provide a safe, efficient, quality bus transportation system for the Western Ventura County area that serves the needs of the greatest number of people by:

- Balancing the needs of the customers with the need for operational efficiency;
- Providing transit services which will appeal to increasing numbers of people;
- Operating responsibly and cost effectively within budgets;
- Coordinating services with other public transportation operators in Ventura County; and
- Providing services that contribute to a safer, cleaner and less congested environment.

BOARD OF DIRECTORS

City of Ojai

Mayor Joe DeVito
Director

Councilmember Sue Horgan
Alternate

City of Oxnard

Mayor Thomas E. Holden
Chair

Councilmember Bryan A.
MacDonald - Alternate

City of Port Hueneme

Councilmember Maricela P.
Morales - Director

Councilmember Sylvia Muñoz
Schnopp - Alternate

City of Ventura

Deputy Mayor William Fulton
Director

Councilmember Brian Brennan
Alternate

County of Ventura

Supervisor John C. Zaragoza
Vice Chair

Supervisor Steve Bennett
Alternate

SENIOR MANAGEMENT STAFF

Deborah C. Linehan
General Manager

Steve L. Rosenberg
Director of Administrative Services

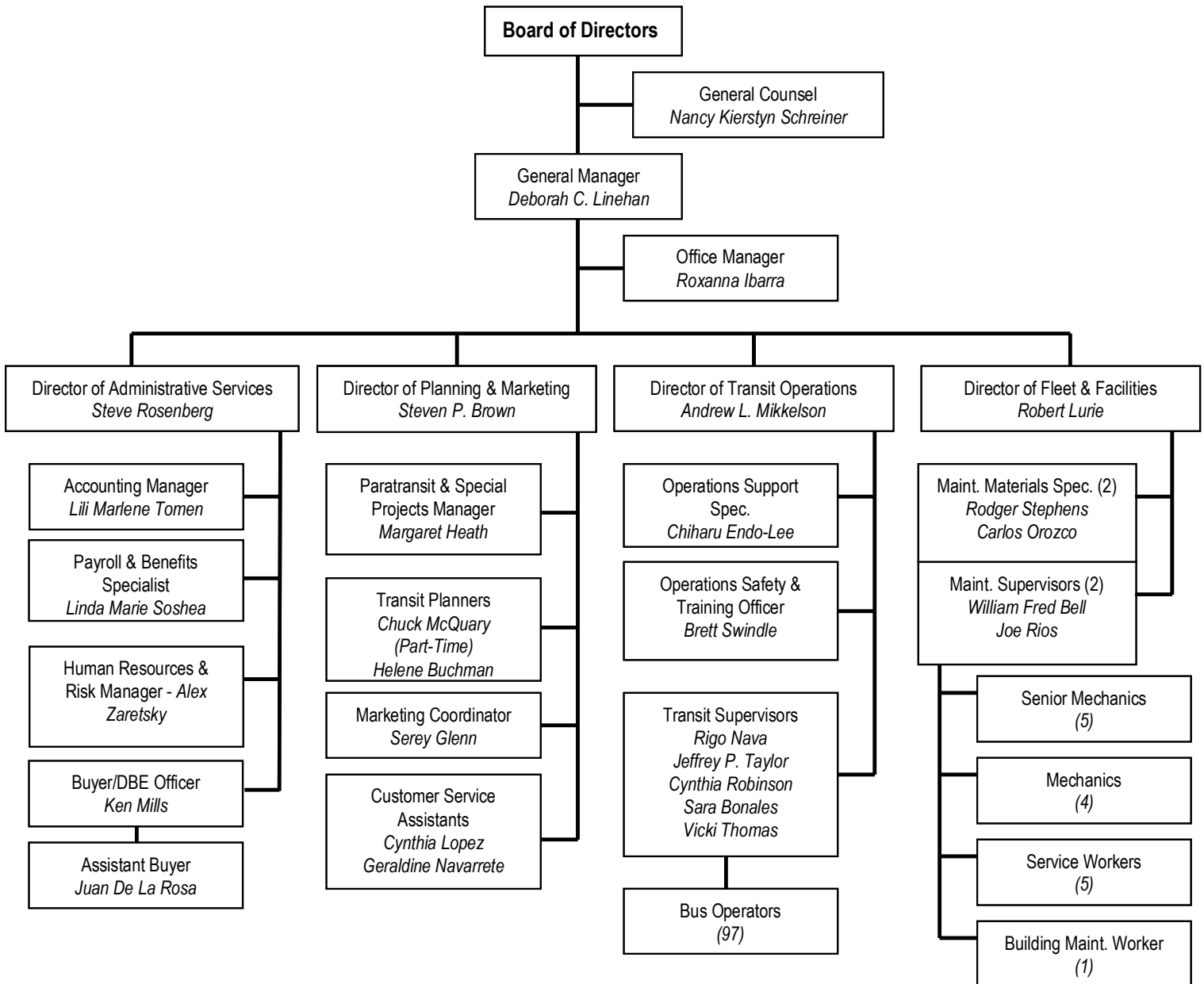
Robert Lurie
Director of Fleet & Facilities

Steven P. Brown
Director of Planning & Marketing

Andrew Mikkelson
Director of Transit Operations



Organizational Chart



BUDGET MESSAGE AND EXECUTIVE SUMMARY

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

- I. BUDGETARY GUIDELINES – The budget was developed following these guidelines.
 - A. Prudent budgetary control is tied to strategic planning.
 - B. Meaningful public and government agency input is solicited during the annual budget review.
 - C. Salary and benefit increases for employees reflect the agreed upon level.
 - D. Appropriate insurance coverage is budgeted to mitigate the risk of material loss.
 - E. Major capital items are specified in the Ten-Year Plan and are anticipated in the capital reserve funding request.
 - F. Budget versus actual financial information is reported.

- II. BUDGET REVIEW FOR FY 2008-09 - THE PRIOR BUDGET YEAR
 - The original approved operating budget for FY 2008-09 was \$16,291,800. A budget change reducing the fuel budget by \$117,500 was approved by the Board in May, 2009, reducing the operating budget to \$16,174,300
 - The revised approved operating budget was an increase of 8.6% from the FY07-08 budget. The largest contributing factors to this increase were a steep increase in the market price for the natural gas that fuels the fleet and replacement of the expired five-year-old paratransit service contract.
 - The net member contribution was 6.04% higher than in FY06-07. - Operating expenses increased, and the significant increase in paratransit service costs shifted the burden slightly toward smaller member governments. Members were credited with a larger carryover (\$1,154,818) from FY 2006-07 than the previous year's carryover (\$818,919).
 - Substantial increase in fuel costs - The budget for fueling the fixed route and paratransit fleets with compressed natural gas (CNG) in FY 2008-09 was \$1,135,100. This was later reduced to \$1,017,600, a 47% increase from FY 2007-08. This was the result of a steep increase in the price of natural gas just as the budget was being finalized. The budget incorporates a \$.50 per gasoline gallon equivalent (equals approximately \$.40 per therm) federal excise tax credit, which is calculated as a reduction into this budget amount.
 - Increased costs for paratransit operations - The budget for paratransit services in FY 2008-09 was \$2,337,300, a 27.4% increase from FY2007-08. This was attributable to the expiration of the previous contract with Laidlaw Transportation

Services (now a division of First Transit), for which the FY 2007-08 pricing was well below the current market, and the awarding of a new five-year contract to MV Transportation.

- Electrical Compression for new CNG Facility - The new CNG station was scheduled to be completed in the fall of 2008 with new, more reliable electrical compressors replacing the old ones which ran on natural gas. Electric compressors are more reliable and less expensive to maintain, however they are more expensive to operate. Electrical compression was budgeted at \$151,200.
- Service Increase – The budget included as a mid-year change adding weekend service on Routes 4A, 5, 7 and 9, as well as a service change for Route 16, realigning it to run on Thompson Blvd. rather than Main St., in downtown Ventura.
- Increased CalPERS Contribution - GCT'S CalPERS retirement contribution increased to fund the change from the 2% at 55 formula to 2.7% at 55, effective November 1, 2007. FY 2008-09 was the first full year at the increased contribution level.
- Additional Maintenance Materials Specialist position – The budget funded a second Maintenance Materials Specialist position. .
- The system-wide farebox recovery ratio was projected to be 18% – California regulations require that a transit service claimant for Transportation Development Act (TDA) funds have a system wide ratio of fare revenues to operating cost of at least 20%. GCT requested and received from its members non-TDA funds in the form of route guarantees, which count as fare revenues, to address this requirement. The FY 2008-09 budget included route guarantees totaling \$335,000, raising the farebox recovery ratio to 20%.
- Capital Reserve Contribution – The Board supported maintaining the annual capital reserve contribution at \$1,200,000. As crucial as maintaining the capital reserve contribution is to GCT's future, the steep spike in fuel prices caused staff to recommend a shift of \$117,500 from the capital reserve contribution to the fuel budget. The Board agreed that if budget savings could be generated during FY 2008-09, staff could request a budget adjustment to move the first \$117,500 in savings back into the capital reserve contribution. In response to the drop in fuel prices during the year, this adjustment was approved in May 2009.

III. BUDGET HIGHLIGHTS FOR FY 2009-10, THE UPCOMING BUDGET YEAR

The proposed operating budget for FY 2009-10 is \$16,539,900, a 2.3% increase from FY 2008-09. Key factors contributing to such a modest increase are reduced revenues from all of GCT's revenue sources resulting in modest service adjustments to a number of GCT routes and a significant decrease in the price of natural gas to fuel our fleet,

offsetting continued ridership growth and overall contract cost for our paratransit service and labor cost increases associated with a new two-year labor agreement between GCT and Service Employees International Union (SEIU) Local 721, effective November 2009.

Budget highlights are as follows:

- Reduced Revenues – A combination of the State budget crisis and a weak economy have significantly impacted GCT's major revenue sources. GCT's largest revenue source is Local Transportation Funds (LTF), funded by sales tax as authorized by the TDA. The current recession has reduced sales tax receipts across the state, reducing the level of LTF funds available to Ventura County. Additionally, the State announced it has eliminated funds for State Transit Assistance for the next five years (although GCT will receive a small amount of residual STA funding currently held by the Ventura County Transportation Commission (VCTC) during FY 2009-10). As a result, VCTC allocated LTF funds to backfill programs previously funded with STA funds. These actions left GCT's members with substantially lower LTF funding than in recent years, causing GCT to propose service adjustments and reductions in order to reduce cost.

GCT's primary source of federal funding is Federal Transportation Administration (FTA) Section 5307 grant funding, also allocated to GCT through VCTC. Some 5307 grant funding was also diverted to VCTC-funded programs previously funded by STA funds, reducing the 5307 grant funding available to GCT for operations-related activities by 7.4%. GCT will offset this loss by using a portion of funding available under the American Recovery and Reinvestment Act (ARRA), also known as stimulus funding, to supplement federal funding for paratransit service.

Boardings for the first ten months of FY 2008-09 are 3.6% ahead of FY 2007-08 boardings, however with fuel costs lower than last year at this time the trend has reversed and boardings are forecasted to finish FY 2008-09 at a 1.5% increase over the previous year. Taking into account planned cost-saving service adjustments which will eliminate certain duplicative routes, reduce the number of trips on numerous GCT's routes and eliminate the Ventura Harbor – Downtown Ventura Shuttle (Route 12) after Labor Day, as well as the potential for implementing an 8% fare increase in January 2010, boardings are forecast to decrease by approximately 1.1% in FY 2009-10. Passenger fares for FY 2009-10 are projected to be 2.9% higher than currently forecasted passenger fares for FY 2008-09.

- Service Adjustments – With additional weekend service on Routes 4A, 5, 7 and 9 and a service change for Route 16 added in January 2009, as well as the planned addition of GCT's new Route 40 (the Market-Valentine Shuttle), scheduled for July 2009, revenue hours were set to increase over 9%, to 156,725 in FY 2009-10. With the California budget crisis eliminating STA funds and severely impacting the level of TDA funds available to our members, service adjustments and reductions were necessary to reduce costs to the level of available funding. The following changes

were made to reduce costs and improve on-time performance and schedule reliability:

Route	Change
Route 1A/B- Port Hueneme	Schedule Adjustment
Route 2 – Colonia	Schedule Adjustment
Route 3 – Southside	Schedule Adjustment
Route 4A - N. Oxnard via Ventura Road	Schedule Adjustment
Route 4 B - N. Oxnard via St. John's	Schedule Adjustment
Route 5 – Parkwest	Schedule Adjustment
Route 6 (A/B) - Oxnard-Ventura /Main Street	Schedule Adjustment
Route 7 - South Oxnard	No Change
Route 8 - Oxnard College	No Change
Route 9 - Lemonwood/Gisler	No Change
Route 10 - Telegraph Road / Saticoy	Schedule Adjustment
Route 11 - Telephone Road / Saticoy	Schedule Adjustment
Route 12 - Ventura Downtown/Harbor Shuttle	Route to be Eliminated after Labor Day
Route 15 - El Rio/Nyeland Acres	Schedule Adjustment
Route 16 - Ojai -Ventura /Thompson Blvd	Route Reconfigured and Schedule Adjustment
Route 40 - Market/Valentine Shuttle	New Service
Route 30X - OTC-VTC Express -	Route to be Eliminated Effective July 11, 2009
Route 31X - Ojai-Government Center Express -	Route to be Eliminated Effective July 11, 2009
Route 32X - OTC-Ojai Express -	Route to be Eliminated Effective July 11, 2009
18B Northside Tripper -	Service Expanded

- Substantial reduction in fuel prices - The budget for fueling the fixed route and paratransit fleets with CNG in FY 2009-10 is \$663,500, a 35% decrease from the revised FY 2008-09 budget. The unit price used to calculate the FY2009-10 budget is \$.81 per therm, based on the 12-month rolling average for the period May 2008 through April 2009. Last year's budget premise was \$1.30 per therm, which was later reduced by a budget change to \$1.20 per therm. The actual monthly cost for GCT's natural gas has dropped from \$1.34 per therm in July 2008 to \$.44 in April 2009. The more conservative 12-month rolling average is used to allow for significant swings in the energy market reflecting those seen in recent years.

It should be noted that the federal excise tax credit on alternative fuels is set to expire on December 31, 2009. A bill has been introduced which would extend this credit for eighteen years, however the bill's future is uncertain. This budget is premised on GCT realizing a credit of \$208,500 through December 2009. Should the favorable legislation pass and the credit remain in force uninterrupted, GCT would realize an estimated additional savings of \$205,500 in FY 2009-10.

- Increased costs for paratransit operations - The budget for paratransit services in FY 2009-10 is \$2,472,900, a 5.8% increase from the FY2008-09 budget. Ridership

projections for FY 2009-10 are up 8% from the current ridership projection for FY2008-09.

- New Two-Year Contract with SEIU Local 721 – In February 2009 GCT reached a settlement on a two-year agreement with SEIU Local 721, representing GCT's Bus Operator, Mechanical and Administrative Support Employees. The contracts call for two-year wage and benefit increases totaling 9-10%.
- Farebox Recovery Ratio – California regulations require that a transit service claimant for TDA funds have a system wide ratio of fare revenues to operating cost of at least 20%. GCT is requesting local non-TDA funds in the form of route guarantees, which count as fare revenues, to address this issue. The FY 2009-10 budget includes route guarantees totaling \$400,000, which raises the farebox recovery ratio to 20%.
- Capital Reserve Contribution – GCT has increased its capital reserve contribution to \$1,200,000 for each of the past two years in pursuing grants to fund property acquisition and construction of a new operating facility in the five year range. An expanded facility is required to support the growth necessary to meet the current and future public transportation needs of western Ventura County. GCT's ability to support and expand service to serve the future public transportation needs of western Ventura County is inalterably constrained by our inability to accommodate additional capacity within our existing operations and maintenance facility.

Nonetheless, the transit funding shortfall caused by the unprecedented California state budget crisis combined with the impact of the recession on sales tax revenues has reduced revenues to the point where staff has recommended and the Board has voiced support for a deferral of any capital reserve contribution for FY 2009-10.

- The net member contribution is 4.68% lower than in FY 2008-09 – Implementation of service adjustments has limited the increase in operating expenses to 2.3%, and the carryover being returned to our members from FY 2007-08 is \$602,000 less than the carryover from FY 2006-07 our members received last year. These contribution increases are more than offset by the deferral of capital reserve contribution in FY 2009-10, resulting in a net contribution which is \$421,372 less than last year.

IV. FUND STRUCTURE

The budget includes revenue from local support, federal grants, state assistance funds, passenger fares, advertising sales and interest.

V. BUDGET PROCESS

The proposed budget was developed by the Director of Administrative Services in consultation with the GCT General Manager and management team. It was reviewed by the GCT Technical Advisory Committee (TAC) on March 12, 2009 before being discussed at a Board Budget Workshop on April 1, 2009. The TAC

reviewed potential changes on April 15, 2009 and GCT staff discussed potential service adjustments with the Ventura City Council on April 27, 2009 and with the Ojai City Council on April 28, 2009 before the GCT Board of Directors received the proposed budget on May 6, 2009.

The Ventura City Council was scheduled to consider approving the budget and allocation of TDA funds and non-TDA funds at its meeting on June 1, 2009, and the Oxnard City Council was scheduled to consider approving the budget and allocation of TDA funds and non-TDA funds on June 2, 2009. The cities of Ojai and Port Hueneme and the County of Ventura will consider the budget approval and TDA allocation later in June, after the June 3rd Board of Directors meeting.

On June 3, 2009 a public hearing will be held to receive public comment on the proposed budget and the GCT Board will be asked to consider adoption of the final budget.

II. SUMMARY

The budget summary is displayed in the following tables: Table 1, Operating Budget Summary; Table 2, Operating Budget – Functional Categories; Table 3, Capital Project Summary; Table 4, Revenue; and Table 5, Member Agency Participation. The budget document provides details for the operating budget in the **Expenditures** (page 15) section, the capital project budget in the **Capital Improvements** (page 19) section and the revenue sources in the **Financial Revenue** (page 24) section.

TABLE 1

Gold Coast Transit
Operating Budget Summary
July 1, 2009 to June 30, 2010

<u>Operating Revenue</u>					
<u>Item</u>	<u>Approved Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved Budget</u> <u>FY08-09</u>	<u>Proposed Budget</u> <u>FY09-10</u>	<u>% +/-</u> <u>FY10 vs.</u> <u>FY09</u>
Passenger Fares-Fixed Route	\$2,726,000	\$2,681,149	\$2,749,800	\$2,738,400	(0.4%)
Passenger Fares-Paratransit	\$152,300	\$162,457	\$159,100	\$177,000	+11.3%
Special Transit Fares- Member Gov'ts	\$250,000	\$250,000	\$335,000	\$400,000	+19.4%
Interest	\$20,000	\$119,413	\$60,000	\$35,000	(41.7%)
Advertising Income	\$30,000	\$61,784	\$75,000	\$100,000	+33.3%
Other	\$2,000	\$44,021	\$2,000	\$2,000	+0.0%
Operating Assistance-State	\$80,270	\$80,270	\$327,424	\$24,300	(92.6%)
Operating Assistance-Local (LTF)	\$7,867,403	\$7,314,731	\$8,623,976	\$8,743,048	+1.4%
Operating Assistance-Local (Other)	\$0	\$0	\$7,590	\$80,000	+954.0%
Demonstration Project, Ventura - Federal	\$132,000	\$77,000	\$58,410	\$270,900	+363.8%
Preventive Maintenance-Federal	\$2,169,827	\$1,953,678	\$2,224,300	\$1,850,141	(16.8%)
Paratransit Assistance-Federal	\$928,000	\$704,125	\$950,700	\$1,467,111	+54.3%
Planning Assistance-Federal	\$534,400	\$534,400	\$516,000	\$600,000	+16.3%
Other Fed Grants and Reimbursements	<u>0</u>	<u>76,845</u>	<u>85,000</u>	<u>52,000</u>	(38.8%)
TOTAL	\$14,892,200	\$14,059,872	\$16,174,300	\$16,539,900	+2.3%
<u>Operating Expenses</u>					
<u>Item</u>	<u>Approved Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved Budget</u> <u>FY08-09</u>	<u>Proposed Budget</u> <u>FY09-10</u>	<u>% +/-</u> <u>FY10 vs.</u> <u>FY09</u>
FUNCTIONAL CATEGORIES					
Employee Support	10,223,000	9,753,312	10,457,000	10,890,100	+4.1%
Service/Supplies - Operational	3,581,700	3,376,095	4,589,100	4,693,300	+2.3%
Service/Supplies - Support	<u>1,087,500</u>	<u>930,466</u>	<u>1,128,200</u>	<u>956,500</u>	(15.2%)
TOTAL	14,892,200	14,059,872	16,174,300	16,539,900	+2.3%
DEPARTMENT CATEGORIES					
Fixed Route	7,791,700	7,440,003	8,566,900	8,524,300	(0.5%)
Paratransit	1,834,400	1,772,146	2,337,300	2,472,900	+5.8%
Maintenance	2,529,800	2,282,857	2,578,200	2,796,400	+8.5%
Administration	2,095,200	1,902,792	2,016,400	1,901,100	(5.7%)
Planning and Marketing	<u>641,100</u>	<u>662,074</u>	<u>675,500</u>	<u>845,200</u>	+25.1%
TOTAL	<u>14,892,200</u>	<u>14,059,872</u>	<u>16,174,300</u>	<u>16,539,900</u>	+2.3%
Total Fixed Route	13,057,800	12,287,726	13,837,000	14,067,000	+1.7%
Total Paratransit	<u>1,834,400</u>	<u>1,772,146</u>	<u>2,337,300</u>	<u>2,472,900</u>	+5.8%
Farebox Recovery Ratio	<u>21%</u>	<u>22%</u>	<u>20%</u>	<u>20%</u>	
FRR Fixed Route	<u>23%</u>	<u>24%</u>	<u>22%</u>	<u>22%</u>	
FRR Paratransit	<u>8%</u>	<u>9%</u>	<u>7%</u>	<u>7%</u>	

TABLE 2

**Gold Coast Transit
Operating Budget – Functional Categories
July 1, 2009 to June 30, 2010**

	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
Employee Support					
Salaries	6,628,200	6,540,955	6,878,700	7,200,400	+4.7%
Health Benefits	989,500	876,669	876,300	1,071,800	+22.3%
WCI	1,134,000	946,036	1,000,000	981,300	(1.9%)
Retirement	1,206,000	1,187,645	1,422,000	1,352,600	(4.9%)
Other Benefits	78,300	38,363	64,400	79,300	+23.1%
Uniforms	40,000	40,784	47,600	52,000	+9.2%
Medical Exams	28,000	29,992	37,000	34,600	(6.5%)
Safety & Training	60,000	45,701	65,000	62,100	(4.5%)
Contracts	<u>59,000</u>	<u>47,168</u>	<u>66,000</u>	<u>56,000</u>	<u>(15.2%)</u>
TOTAL	\$10,223,000	\$9,753,312	\$10,457,000	\$10,890,100	+4.1%
Service/Supplies - Operational					
	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
Fuel/Lubricants	739,900	573,397	1,065,600	718,600	(32.6%)
Tires	113,000	73,085	150,000	150,000	+0.0%
Repair Parts	431,100	352,603	522,000	535,000	+2.5%
CNG Fuel Station	50,000	68,042	50,000	175,000	+250.0%
Paratransit Service Contract	1,580,700	1,559,593	2,043,500	2,241,000	+9.7%
Contract Repair	170,000	264,322	287,000	265,000	(7.7%)
Contract Services	266,000	181,649	204,000	321,000	+57.4%
Supplies	109,000	115,504	119,000	134,700	+13.2%
Tickets/Schedules	54,000	86,635	76,000	69,000	(9.2%)
Marketing	45,000	111,855	52,000	55,500	+6.7%
OTC Facilities	10,000	9,658	10,000	10,500	+5.0%
Maintenance Agreements	13,000	11,380	10,000	18,000	+80.0%
Warranty Recovery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>+0.0%</u>
TOTAL	\$3,581,700	\$3,407,724	\$4,589,100	\$4,693,300	+2.3%
Service/Supplies - Support					
	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
Telephones/Utilities	146,500	84,542	251,200	197,000	(21.6%)
Insurance	652,000	620,408	600,000	478,500	(20.3%)
Contract Services	64,000	49,591	60,000	64,000	+6.7%
Supplies	85,000	76,931	76,500	68,000	(11.1%)
Legal	30,000	11,602	27,500	38,000	+38.2%
Audit	20,000	18,655	22,000	24,000	+9.1%
Officers & Directors	45,000	33,260	48,000	45,000	(6.3%)
Dues	<u>45,000</u>	<u>35,478</u>	<u>43,000</u>	<u>42,000</u>	<u>(2.3%)</u>
TOTAL	\$1,087,500	\$930,466	\$1,128,200	\$956,500	(15.2%)
GRAND TOTAL	\$14,892,200	\$14,091,502	\$16,174,300	\$16,539,900	+2.3%

TABLE 3

**Gold Coast Transit
Capital Project Summary
July 1, 2009 to June 30, 2010**

<u>Revenues</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>
Capital Assistance -Federal 5307 / ARRA	3,580,319	9,607,376
Capital Assistance - Federal 5309/Other	400,000	475,000
Capital Assistance - Federal CMAQ	0	0
Capital Assistance - Local	1,608,105	943,138
Capital Depreciation		
Total Capital Revenues	<u>5,588,424</u>	<u>11,025,514</u>
<u>Expenses</u>		
Replace Fixed Route Revenue Vehicles	0	3,608,000
Replace Farebox Systems	0	600,000
Transit Enhancements	0	101,723
Facility Modernization	0	815,101
Replace Service Vehicles	0	185,000
Capital Assistance- ADA Paratransit Service	1,901,400	2,208,889
Capital Assistance - Preventive Maintenance	2,672,024	2,163,051
Capital Assistance - Planning Assistance	615,000	750,000
New Facility Requirements Planning	400,000	593,750
Capital Depreciation		
Total Capital Expenses	<u>5,588,424</u>	<u>11,025,514</u>

TABLE 4

Gold Coast Transit
Revenue Budget
July 1, 2009 to June 30, 2010

	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>
<u>Operating Revenues</u>				
Passenger Fares-Fixed Route	2,726,000	2,681,149	2,749,800	2,738,400
Passenger Fares-ADA Service	152,300	162,457	159,100	177,000
Special Transit Fares- Member Gov'ts	<u>250,000</u>	<u>250,000</u>	<u>335,000</u>	<u>400,000</u>
	\$3,128,300	\$3,093,606	\$3,243,900	\$3,315,400
<u>Non-Operating Revenues</u>				
Local Support	7,867,403	7,314,731	8,631,566	8,823,048
Interest	20,000	119,413	60,000	35,000
Advertising Income	30,000	61,784	75,000	100,000
Other	2,000	44,021	2,000	2,000
Federal Preventive Maintenance	2,169,827	1,953,678	2,224,300	1,850,141
Federal Paratransit Assistance	928,000	704,125	950,700	1,467,111
Demonstration Project - Federal	132,000	77,000	58,410	270,900
Operating Assistance-State	80,270	80,270	327,424	24,300
Planning Assistance-Federal	534,400	534,400	516,000	600,000
Other Fed Grants & Reimbursements	<u>0</u>	<u>76,845</u>	<u>85,000</u>	<u>52,000</u>
	\$11,763,900	\$10,966,266	\$12,930,400	\$13,224,500
Total Operating and Non-Operating Revenues	\$14,892,200	\$14,059,872	\$16,174,300	\$16,539,900
<u>Capital Revenues</u>				
Capital Assistance-Federal 5307 / ARRA	90,000	1,165,597		9,607,376
Capital Assistance - Federal CMAQ	1,530,165	200,941		0
Capital Assistance - Federal 5309 / Other	400,000		400,000	475,000
Capital Assistance - TDA / Local	<u>320,749</u>	<u>1,250,354</u>	<u>100,000</u>	<u>943,138</u>
Total Capital Revenues	\$2,340,914	\$2,616,892	\$500,000	\$11,025,514
Total Revenues	<u>\$17,233,114</u>	<u>\$16,676,764</u>	<u>\$16,674,300</u>	<u>\$27,565,414</u>

TABLE 5

**Gold Coast Transit
Member Agency Funding Participation
July 1, 2009 to June 30, 2010**

<u>Member Agency</u>	<u>Fixed Route</u>	<u>Paratransit</u>	<u>Capital Program</u>	<u>Gross Contribution for FY09-10</u>	<u>FY09-10 Member Share</u>
Ojai	\$62,813	\$21,692	\$0	\$84,505	0.92%
Oxnard	\$4,190,176	\$389,583	\$0	\$4,579,759	50.09% *
Port Hueneme	\$216,825	\$103,962	\$0	\$320,787	3.51%
Ventura	\$2,959,804	\$235,375	\$0	\$3,195,179	34.95%
Ventura County	<u>\$924,641</u>	<u>\$38,177</u>	<u>\$0</u>	<u>\$962,818</u>	<u>10.53%</u>
TOTAL	\$8,354,259	\$788,789	\$0	\$9,143,048	100.00%
Prior Year	\$8,102,176	\$974,300	\$1,200,000	\$10,166,566	100.00%

<u>Member Agency</u>	<u>Gross Contribution for FY09-10</u>	<u>LESS - Credit for FY07-08 Carryover</u>	<u>Calculated Member Contribution for FY09-10</u>	<u>LESS - Non-TDA Route Guarantee Commitments for FY09-10</u>	<u>NET Member TDA Allocation for FY09-10</u>	<u>Adjusted FY09-10 Vote Weight</u>
Ojai	\$84,505	(\$9,702)	\$74,803	(\$5,000)	\$69,803	0.92%
Oxnard	\$4,579,759	(\$259,541)	\$4,320,218	(\$240,000)	\$4,080,218	49.99% *
Port Hueneme	\$320,787	(\$16,591)	\$304,196	(\$18,000)	\$286,196	3.52%
Ventura	\$3,195,179	(\$198,881)	\$2,996,298	(\$137,000)	\$2,859,298	35.02%
Ventura County	<u>\$962,818</u>	<u>(\$67,957)</u>	<u>\$894,861</u>		<u>\$894,861</u>	<u>10.55%</u>
TOTAL	\$9,143,048	(\$552,672)	\$8,590,376	(\$400,000)	\$8,190,376	100.00%
Prior Year	\$10,166,566	(\$1,154,818)	\$9,011,748	(\$335,000)	\$8,676,748	

* Note: GCT's Joint Powers Agreement states that "the weighted vote of any single Board member shall not, of itself, be given the value or effect of a majority vote."

EXPENDITURES

Table 6 reflects the operating expense budget, followed by line item breakouts of various expense categories. In the appendix are detailed tables of the line items in GCT's five departments.

TABLE 6

**Gold Coast Transit
Operating Expenses
July 1, 2009 to June 30, 2010**

Operating Expenses

<u>Item</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY 10 vs. FY09</u>
<u>FUNCTIONAL CATEGORIES</u>					
Employee Support	10,223,000	9,753,312	10,457,000	10,890,100	+4.1%
Service/Supplies - Operational	3,581,700	3,376,095	4,589,100	4,693,300	+2.3%
Service/Supplies - Support	1,087,500	930,466	1,128,200	956,500	(15.2%)
TOTAL	14,892,200	14,059,872	16,174,300	16,539,900	+2.3%
<u>DEPARTMENT CATEGORIES</u>					
Fixed Route	7,791,700	7,440,003	8,566,900	8,524,300	(0.5%)
Paratransit	1,834,400	1,772,146	2,337,300	2,472,900	+5.8%
Maintenance	2,529,800	2,282,857	2,578,200	2,796,400	+8.5%
Administration	2,095,200	1,902,792	2,016,400	1,901,100	(5.7%)
Planning and Marketing	641,100	662,074	675,500	845,200	+25.1%
TOTAL	14,892,200	14,059,872	16,174,300	16,539,900	+2.3%

Employees – Support

The proposed budget for employee support shows an increase of \$433,100 (4.1%). The increase in the employee support budget comes primarily from the increase in wages resulting from the three new Memoranda of Understanding between GCT and SEIU Local 721, as well as staff salary increases resulting from annual performance reviews. The two-year MOUs, effective November 1, 2008, call for two-year wage increases totalling 9.5%-10%. Research had shown that compensation for GCT bus operators and certain classes of maintenance employees was below that of most comparable California transit agencies surveyed. The increased wages are partially offset by reductions in service hours resulting from numerous service adjustments being implemented in July 2009. A large increase in health benefits and a similarly large decrease in retirement expense offset, the result of a clerical error made in preparing the FY 2008-09 budget which has been corrected for FY 2009-10. GCT's workers' compensation coverage is obtained through the County Supervisors Association of California Excess Insurance Authority (CSAC-EIA); the current estimate for the FY

2009-10 contribution is 1.9% less than the FY 2008-09 budgeted contribution. Other benefits are increased from FY 2008-09 as a result of increased unemployment payment costs.

GCT anticipates maintaining a headcount of approximately 97 bus operators during FY2009-10, down from 98 in FY 2008-09. Operator headcount is driven by service levels and other variables, and actual headcount typically will vary throughout the year. Non-operator headcount will remain unchanged at 42.5.

As previously discussed, the current MOUs between GCT and the Service Employees International Union (SEIU), Local 721 run through October 31, 2010. Represented employees will continue to receive step and longevity increases as defined within the MOUs, and non-represented employees are eligible for merit increases within their Board-approved salary ranges.

Table 7 shows the Employee Support expense budget.

TABLE 7
Gold Coast Transit
Employee Support Expenses
July 1, 2009 to June 30, 2010

<u>Employee Support</u>	<u>Approved</u> <u>Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved</u> <u>Budget</u> <u>FY08-09</u>	<u>Proposed</u> <u>Budget</u> <u>FY09-10</u>	<u>% +/-</u> <u>FY10 vs.</u> <u>FY09</u>
Salaries	6,628,200	6,540,955	6,878,700	7,200,400	+4.7%
Health Benefits	989,500	876,669	876,300	1,071,800	+22.3%
WCI	1,134,000	946,036	1,000,000	981,300	(1.9%)
Retirement	1,206,000	1,187,645	1,422,000	1,352,600	(4.9%)
Other Benefits	78,300	38,363	64,400	79,300	+23.1%
Uniforms	40,000	40,784	47,600	52,000	+9.2%
Medical Exams	28,000	29,992	37,000	34,600	(6.5%)
Safety & Training	60,000	45,701	65,000	62,100	(4.5%)
Contracts	<u>59,000</u>	<u>47,168</u>	<u>66,000</u>	<u>56,000</u>	<u>(15.2%)</u>
TOTAL	\$10,223,000	\$9,753,312	\$10,457,000	\$10,890,100	+4.1%

Service/Supplies – Operational

The proposed budget for service/supplies - operational shows an increase of \$104,200 (2.3%), reflecting significant variation from the prior year in a number of line items. The most critical change is a substantial decrease in the cost of compressed natural gas (CNG) used to fuel GCT's fleet. The budget pricing premise has been reduced from \$1.30/therm last year to \$.81/therm in FY2009-10, and is based in a 12-month rolling average to minimize recent pricing volatility. The cost of contracted paratransit services is projected to increase 9.7% in FY 2009-10 as a result of projected ridership increases.

The line item for operating GCT's on-site CNG fueling station shows a marked increase this year as construction is completed on GCT's new station and the operation and maintenance phase begins. The new station incorporates higher technology and requires a higher level of maintenance to protect this capital investment; the budget anticipates a third-party operations and maintenance (O&M) contract.

The tire, repair parts and contract repair budgets will remain at or near current levels, as the average age of our fleet remains relatively low. The contract services line item shows a large cost increase as well, however this includes consulting projects for which GCT has received \$132,000 in grant funding.

Paratransit Service

The paratransit service contract cost for FY 2009-10 is budgeted at \$ 2,241,000, an increase of \$197,500 (+9.7%) from FY 2008-09. In April 2008 the Board of Directors approved a new contract with MV Transportation, for a base period of five years with five one-year renewal options. FY2009-10 is year two of the contract., This year's budget reflects an 11% estimated increase in demand from last year's budget, as measured in paid Vehicle Revenue Hours (VRH), from 32,980 VRH to 36,600 VRH. The contract is structured to provide MV an increase in the hourly rate if demand falls below the contracted level, and to provide GCT a reduction in hourly rate if demand increased above the contracted level. The budgeted hourly rate for FY 2008-09 is \$61.21.

Fuel

The fuel & lubricant budget for FY 2008-09 is \$718,600, of which \$663,500 is for CNG, used to power GCT's entire fixed route and paratransit fleets. The fixed route fleet is projected to run a total of 1,732,446 miles, our service vehicles are estimated to run 220,000 miles, and the paratransit fleet is projected to run 728,800 miles. The premised cost per gasoline-gallon equivalent (GGE) used in the FY 2008-09 budget is \$1.0125 (\$.81 per therm). GCT will receive a federal excise tax credit of \$.50 per GGE for all CNG dispensed at our facility during the first two quarters of FY 2009-10; the tax credit is currently set to expire on December 31, 2009, however pending legislation may extend the tax credit. The full amount of the credit is factored into this budget. Net fuel cost per mile is \$.285 for fixed route and \$.147 for paratransit. Logistics dictate that some refueling of the paratransit fleet be done off-site, at much higher retail prices excluding the tax rebate; during CNG station construction it was necessary to increase the amount of off-site fueling, but with construction complete increased emphasis will be placed on fueling on-site whenever reasonably possible.

Table 8 shows the Operational Service/Supply expense budget.

TABLE 8

**Gold Coast Transit
Service/Supplies – Operational Expenses
July 1, 2009 to June 30, 2010**

	<u>Approved</u> <u>Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved</u> <u>Budget</u> <u>FY08-09</u>	<u>Proposed</u> <u>Budget</u> <u>FY09-10</u>	<u>% +/-</u> <u>FY10 vs.</u> <u>FY09</u>
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	739,900	573,397	1,065,600	718,600	(32.6%)
Tires	113,000	73,085	150,000	150,000	+0.0%
Repair Parts	431,100	352,603	522,000	535,000	+2.5%
CNG Fuel Station	50,000	68,042	50,000	175,000	+250.0%
Paratransit Service Contract	1,580,700	1,559,593	2,043,500	2,241,000	+9.7%
Contract Repair	170,000	264,322	287,000	265,000	(7.7%)
Contract Services	266,000	181,649	204,000	321,000	+57.4%
Supplies	109,000	115,504	119,000	134,700	+13.2%
Tickets/Schedules	54,000	86,635	76,000	69,000	(9.2%)
Marketing	45,000	111,855	52,000	55,500	+6.7%
OTC Facilities	10,000	9,658	10,000	10,500	+5.0%
Maintenance Agreements	13,000	11,380	10,000	18,000	+80.0%
Warranty Recovery	0	0	0	0	+0.0%
TOTAL	\$3,581,700	\$3,407,724	\$4,589,100	\$4,693,300	+2.3%

Service/Supplies – Support

The proposed budget for service/supplies support shows a decrease of \$171,700 (15.2%) from FY2008-09. The significant decrease in this category is a lower estimate for the cost of electrical power to run the compressors in GCT's new CNG station. The design of the new station changes from gas-powered compressors to electrical compressors; the new design has greater backup systems built in to improve reliability, and is expected to yield long-term savings in repair costs. Our current budgeted amount is based on having run the compressors for several months; last year's budget was based on industry estimates.

Budgeted costs for general liability and property damage insurance will decrease by 20%, from \$ 600,000 in FY 2008-09 to \$478,500 in FY 2009-10. GCT belongs to the California Transit Insurance Pool (CalTIP), a joint powers insurance authority consisting of thirty-five member transit operators joining together to provide more stable, cost-effective risk financing and risk management services. For FY 2009-10, GCT benefited from a credit for prior years having closed with lower-than-expected claims. GCT's legal services budget increased with higher utilization of services under our new contract for General Counsel and other legal services with Nordman, Cormany, Hair and Compton.

Table 9 shows the Support Service and Supply expense budget.

TABLE 9

**Gold Coast Transit
Service/Supplies – Support Expenses
July 1, 2009 to June 30, 2010**

	<u>Approved</u> <u>Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved</u> <u>Budget</u> <u>FY08-09</u>	<u>Proposed</u> <u>Budget</u> <u>FY09-10</u>	<u>% +/-</u> <u>FY10 vs.</u> <u>FY09</u>
<u>Service/Supplies - Support</u>					
Telephones/Utilities	146,500	84,542	251,200	197,000	(21.6%)
Insurance	652,000	620,408	600,000	478,500	(20.3%)
Contract Services	64,000	49,591	60,000	64,000	+6.7%
Supplies	85,000	76,931	76,500	68,000	(11.1%)
Legal	30,000	11,602	27,500	38,000	+38.2%
Audit	20,000	18,655	22,000	24,000	+9.1%
Officers & Directors	45,000	33,260	48,000	45,000	(6.3%)
Dues	45,000	35,478	43,000	42,000	(2.3%)
TOTAL	\$1,087,500	\$930,466	\$1,128,200	\$956,500	(15.2%)

CAPITAL IMPROVEMENTS

Capital Project Funding

GCT capital projects are typically funded by a combination of FTA and local matching funds. FTA Section 5307 funds are provided for capital projects at 80% of the cost, with a 20% required local match. For certain projects, Congestion Mitigation and Air Quality (CMAQ) funds are provided; CMAQ funds have typically provided 88.5% of the project cost with an 11.5% required local match; however recent rule changes allow for up to 100% funding for future CMAQ grants. GCT may also apply for funds under FTA Section 5309, which provides a discretionary allocation for bus-related capital projects available through a congressional earmark.

Local matching funds are provided through the Bus Facility/Equipment Capital Reserve. The capital reserve allows for major capital projects to be advanced without placing sudden or excessive demands on local funding sources. Based on the current backlog of funded capital projects and the revised ten-year capital project plan as well as the availability of federal funds (both from Section 5307 and CMAQ), the recommended annual allocation to the GCT Capital Reserve fund for FY 2007-08 was \$1,200,000, In FY2008-09, the contribution was originally budgeted at \$1,082,500, however a recent budget change restored it to \$1,200,000. .

Proposed Capital Projects

The FY 2009-10 capital improvements budget includes the addition of federal funding resulting from the passage of the American Recovery and Reinvestment Act (ARRA), commonly known as stimulus funds. Just as with projects funded under Section 5307,

5309 or CMAQ, ARRA-funded projects are included in the Transportation Improvement Plan (TIP), which is administered by the VCTC and the Southern California Association of Governments (SCAG). GCT has also been approved to receive \$475,000 in federal funding under Section 5309 for a new Maintenance and Operations Facility. Initial activities will focus on requirements planning, including review and assessment of potential sites. Additionally, GCT receives and anticipates continuing to receive state grant funds authorized under Proposition 1B, for bus purchases, security measures and facility capital improvements; such funding may be used as local match for federal grant-funded projects. The FY 2009-10 capital projects budget is shown in Table 10.

TABLE 10

**Gold Coast Transit
Proposed Capital Projects, FY 2009-10**

<u>Project</u>	<u>Funding Source</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2008-09 and FY 2009-10 - ARRA Funded</u>				
Replacement Transit Buses (3)	ARRA	\$1,353,000	\$0	\$1,353,000
Expansion Transit Buses (5)	ARRA	\$2,255,000	\$0	\$2,255,000
Four (4) Replacement Supervisor Vans	ARRA	\$185,000	\$0	\$185,000
Upgrade Fareboxes	ARRA	\$600,000	\$0	\$600,000
Transit Enhancements	ARRA	\$101,723	\$0	\$101,723
Renovate Existing GCT Facility (Funded)	ARRA	\$815,101	\$0	\$815,101
Renovate Existing GCT Facility (Requested Funding)		<u>\$2,384,899</u>	<u>\$0</u>	<u>\$2,384,899</u>
		\$7,694,723	\$0	\$7,694,723
<u>FY 2009-10</u>				
New Facility Requirements Planning	5309/Other	<u>\$475,000</u>	<u>\$118,750</u>	<u>\$593,750</u>
		\$475,000	\$118,750	\$593,750

Previously Funded Capital Projects

Funding for Board-approved capital projects is secured primarily from federal grants with the matching funds from local sources. Most capital projects cannot be completed within the year of their approval; in recent years funds have not become available until the fiscal year is nearly complete. Federal funds remain available until the project is completed and matching funds are placed in a separate Capital Reserve Fund. Table 11 shows a list of priority projects funded by existing or pending federal grants that are either planned or in process and have not yet been completed.

TABLE 11**Gold Coast Transit
Previously Funded Capital Projects****June 1, 2009**

<u>Project</u>	<u>Funding Source</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
PROJECTS IN PROCESS AS OF MAY 2009				
Completion - Construct New CNG Station	var	\$280,000	\$70,000	\$350,000
Nine NABI 35-ft. Replacement Buses *	CMAQ	\$3,192,000	\$858,000	\$4,050,000
Surveillance/Security Upgrades (SEON equpt.)	5307	\$100,000	\$25,000	\$125,000
Bike Racks (3-position)	5307	\$14,400	\$3,600	\$18,000
New Paratransit Vehicles (Two Remain)	CMAQ	\$167,000	\$22,000	\$189,000
Misc. Facility Rehab. Projects	5307	\$60,000	\$15,000	\$75,000
Replace Radio Transmitter	5307	\$8,800	\$2,200	\$11,000
PROJECTS PLANNED USING EXISTING FUNDED GRANTS				
Surveillance/Security Upgrades	5307	\$89,600	\$22,400	\$112,000
Install Above-ground Hoist	5307	\$160,000	\$40,000	\$200,000
Rebuild / Refurbish NABI Buses	5307	\$531,000	\$69,000	\$600,000
Purchase Scheduling Run-Cut System	5307	\$120,000	\$30,000	\$150,000
Replace Bus Vacuum System	5307	\$160,000	\$40,000	\$200,000
On-Board Voice Annunciators	5307	\$400,000	\$100,000	\$500,000
Replace Maintenance & Finance MIS Systems	5307	\$560,000	\$140,000	\$700,000
Drivecams for Service Vehicles	Prop IB	\$30,000	\$0	\$30,000

* Local Match funds for Bus Purchase include State Prop. 1B funds

Ten-Year Capital Project Plan

A Capital Project Plan has been developed to ensure that:

- GCT has the necessary fleet, facilities and equipment to provide service in a safe and cost efficient manner;
- Capital costs are identified and programmed in advance and distributed throughout a number of fiscal cycles to avoid sudden or excessive demand on local funding sources;
- A capital reserve is established to allow for major procurements without sudden or excessive demand on funding sources. Economies of scale sometimes exist that allow a transit agency to save money by making a few large procurements rather than many small procurements; and
- Long lead times required for certain tasks are understood and accommodated. The development of specifications and the required competitive procurement process for selecting a bus manufacturer can easily take six to twelve months. It may take the manufacturer another one to two years to build a transit bus.

The current capital reserve fund at the start of FY 2008-09 was \$2,065,664. Funds have been or will be disbursed for completion of the upgrade of the CNG fuel station, the procurement of a replacement fleet of paratransit vehicles, the procurement of a replacement fleet for our nine 30-foot Orion buses, and for other budgeted capital

projects. A capital reserve contribution of \$1,200,000 for FY 2008-09 will be made in June 2008. The projected level of the capital reserve fund at the start of FY 2009-10 is approximately \$2,040,000.

The total projected cost for the Ten-Year Capital Project Plan is \$112,396,473, which includes \$50,593,750 for a new Maintenance and Operations Facility. The projected local match needed for the projects in the ten-year plan is \$17,265,150.

Table 12 reflects the Ten-Year Capital Project Plan and the anticipated funding sources and levels.

TABLE 12

Ten-Year Capital Project Plan, FY 2009-10 through FY 2019-20

<u>Project</u>	<u>Funding Source</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2008-09 and FY 2009-10 - ARRA Funded</u>				
Replacement Transit Buses (3)	ARRA	\$1,353,000	\$0	\$1,353,000
Expansion Transit Buses (5)	ARRA	\$2,255,000	\$0	\$2,255,000
Four (4) Replacement Supervisor Vans	ARRA	\$185,000	\$0	\$185,000
Upgrade Fareboxes	ARRA	\$600,000	\$0	\$600,000
Transit Enhancements	ARRA	\$101,723	\$0	\$101,723
Renovate Existing GCT Facility (Funded)	ARRA	\$815,101	\$0	\$815,101
Renovate Existing GCT Facility (Requested Funding)		<u>\$2,384,899</u>	<u>\$0</u>	<u>\$2,384,899</u>
		\$7,694,723	\$0	\$7,694,723
<u>FY 2009-10</u>				
New Facility Requirements Planning	5309/Other	<u>\$475,000</u>	<u>\$118,750</u>	<u>\$593,750</u>
		\$475,000	\$118,750	\$593,750
<u>FY 2010-11</u>				
Purchase Real Property for New Facility	5309/Other	\$8,000,000	\$2,000,000	\$10,000,000
Replace Office Equipment	5307	\$32,000	\$8,000	\$40,000
Replace Transit Buses (6 NABIs)	CMAQ	<u>\$2,655,000</u>	<u>\$345,000</u>	<u>\$3,000,000</u>
		\$10,687,000	\$2,353,000	\$13,040,000
<u>FY 2011-12</u>				
New Facility Design, Engrg. & Environmental	5309/Other	\$6,400,000	\$1,600,000	\$8,000,000
New Facility Construction Phase 1	5309/Other	\$8,000,000	\$2,000,000	\$10,000,000
Replace Maintenance Vehicle	5307	\$48,000	\$12,000	\$60,000
Replace Maintenance Equipment	5307	\$80,000	\$20,000	\$100,000
Replace Service Vehicles (3)	5307	\$77,000	\$19,000	\$96,000
Replace Paratransit Vehicles (24)	CMAQ	<u>\$2,655,000</u>	<u>\$345,000</u>	<u>\$3,000,000</u>
		\$17,260,000	\$3,996,000	\$21,256,000
<u>FY 2012-13</u>				
New Facility Construction Phase 2	5309/Other	\$9,600,000	\$2,400,000	\$12,000,000
Replace Transit Buses (6 NABIs)	CMAQ	\$2,921,000	\$379,000	\$3,300,000
Replace Service Vehicles (3)	5307	\$80,000	\$20,000	\$100,000
Refurbish (Mid-life) New Flyer Buses (26)	5307	<u>\$2,496,000</u>	<u>\$624,000</u>	<u>\$3,120,000</u>
		\$15,097,000	\$3,423,000	\$18,520,000

TABLE 12

Ten-Year Capital Project Plan, FY 2008-09 through FY 2019-20

<u>Project</u>	<u>Funding Source</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2013-14</u>				
New Facility Construction Phase 3 (Final)	5309/Other	\$8,000,000	\$2,000,000	\$10,000,000
Replace Transit Buses (2 NABIs)	5307	\$904,000	\$226,000	\$1,130,000
Expansion Transit Buses (2)	CMAQ	\$1,000,000	\$130,000	\$1,130,000
Replace Office Equipment	5307	<u>\$40,000</u>	<u>\$10,000</u>	<u>\$50,000</u>
		\$9,944,000	\$2,366,000	\$12,310,000
<u>FY 2014-15</u>				
Refurbish (Mid-life) 2009 NABI 35-ft. Transit Buses (9)	5307	\$864,000	\$216,000	\$1,080,000
Replace Transit Buses (3 NABIs)	5307	\$1,380,000	\$345,000	\$1,725,000
Expansion Transit Buses (2)	CMAQ	\$1,018,000	\$132,000	\$1,150,000
Replace Service Vehicles (7)	5307	<u>\$196,000</u>	<u>\$49,000</u>	<u>\$245,000</u>
		<u>\$1,214,000</u>	<u>\$181,000</u>	<u>\$1,395,000</u>
<u>FY 2015-16</u>				
Replace Paratransit Vehicles (24)	CMAQ	\$2,974,000	\$386,000	\$3,360,000
Refurbish (Mid-life) 2010 NABI 35-ft. Transit Buses (8)	5307	\$800,000	\$200,000	\$1,000,000
Expansion Transit Bus (1)	5307	\$464,000	\$116,000	\$580,000
Replace Service Vehicles (4)	5307	<u>\$115,200</u>	<u>\$28,800</u>	<u>\$144,000</u>
		\$4,353,200	\$730,800	\$5,084,000
<u>FY 2016-17</u>				
Expansion Transit Bus (1)	CMAQ	\$522,000	\$68,000	\$590,000
Replace Service Vehicles (3)	5307	\$86,400	\$21,600	\$108,000
Replace Office Equipment	5307	<u>\$48,000</u>	<u>\$12,000</u>	<u>\$60,000</u>
		\$656,400	\$101,600	\$758,000
<u>FY 2017-18</u>				
Replace 26 40-ft. New Flyer Buses	CMAQ	\$13,806,000	\$1,794,000	\$15,600,000
Expansion Transit Bus (1)	CMAQ	\$531,000	\$69,000	\$600,000
Replace Maintenance Equipment	5307	<u>\$200,000</u>	<u>\$50,000</u>	<u>\$250,000</u>
		\$14,537,000	\$1,913,000	\$16,450,000
<u>FY 2018-19</u>				
Replace 9 35-ft. NABI Buses	CMAQ	\$4,779,000	\$621,000	\$5,400,000
Expansion Transit Bus (1)	CMAQ	\$531,000	\$69,000	\$600,000
Facility Upgrades	5307	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>
		\$5,710,000	\$790,000	\$6,500,000
<u>FY 2019-20</u>				
Replace 8 35-ft. NABI Buses	CMAQ	\$4,319,000	\$561,000	\$4,880,000
Expansion Transit Bus (1)	CMAQ	\$540,000	\$70,000	\$610,000
Facility Upgrades	5307	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>
		\$5,259,000	\$731,000	\$5,990,000

Depreciation

Capital Purchases are depreciated over the course of their useful life. Table 13 is the depreciation schedule for FY 2009-10.

TABLE 13
Gold Coast Transit
Depreciation Schedule
July 1, 2009 to June 30, 2010

<u>Item</u>	<u>Approved</u> <u>Budget</u> <u>FY07-08</u>	<u>Actuals</u> <u>FY07-08</u>	<u>Approved</u> <u>Budget</u> <u>FY08-09</u>	<u>Proposed</u> <u>Budget</u> <u>FY09-10</u>
Facility	223,389	181,970	371,071	599,773
Buses	1,389,802	1,164,201	1,349,992	1,151,533
Other Vehicles	46,164	45,371	56,548	64,434
Shop Equipment	8,811	9,544	734	12,569
Office/Other Equipment	11,701	25,303	37,440	28,090
OTC Improvements	4,244	4,244	4,244	4,244
Paratransit Revenue Vehicles	57,583	59,084	360,124	459,791
Paratransit Other Equipment	<u>12,722</u>	<u>35,134</u>	<u>1,724</u>	<u>17,621</u>
Total Depreciation	\$1,754,416	\$1,524,851	\$2,181,877	\$2,338,055

FINANCIAL REVENUE

Funding for GCT operating activities is derived from several sources, including passenger fares; local, state and federal funds; advertising and interest income and gain on disposed property. Table 14 reflects the revenue for operating activities in FY 2009-10.

TABLE 14

**Gold Coast Transit
Operating and Planning Revenue
July 1, 2009 to June 30, 2010**

	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>
<u>Operating Revenues</u>				
Passenger Fares-Fixed Route	2,726,000	2,681,149	2,749,800	2,738,400
Passenger Fares-ADA Service	152,300	162,457	159,100	177,000
Special Transit Fares - Local Gov't	<u>250,000</u>	<u>250,000</u>	<u>335,000</u>	<u>400,000</u>
	\$3,128,300	\$3,093,606	\$3,243,900	\$3,315,400
<u>Non-Operating Revenues</u>				
Local Support	7,867,403	7,314,731	8,631,566	8,823,048
Interest	20,000	119,413	60,000	35,000
Advertising Income	30,000	61,784	75,000	100,000
Other	2,000	44,021	2,000	2,000
Federal Preventive Maintenance	2,169,827	1,953,678	2,224,300	1,850,141
Federal Paratransit Assistance	928,000	704,125	950,700	1,467,111
Demonstration Project - Federal	132,000	77,000	58,410	270,900
Operating Assistance-State	80,270	80,270	327,424	24,300
Planning Assistance-Federal	534,400	534,400	516,000	600,000
Other Fed Grants & Reimbursements	<u>0</u>	<u>76,845</u>	<u>85,000</u>	<u>52,000</u>
	\$11,763,900	\$10,966,266	\$12,930,400	\$13,224,500
Total Operating and Non-Operating Revenues	\$14,892,200	\$14,059,872	\$16,174,300	\$16,539,900

Following is a brief discussion of each major area of revenue.

Passenger Fares

Passenger fare revenues for FY 2008-09 are anticipated to finish the year somewhat below budgeted levels in aggregate. Fixed route fares are forecast to be 3.3% less than the FY 2008-09 budgeted amount, attributable to reduced revenue per boarding. Paratransit fares are forecast to be at or very slightly higher than the budgeted amount.

The FY 2009-10 fixed route passenger fare revenue budget is .4% less than the FY 2008-09 budget and 2.9% more than our current FY 2008-09 forecast. This budget factors in an expected modest ridership decline resulting from numerous schedule adjustments and the cancellation of Route 12 (the Ventura Downtown/Harbor Shuttle), as well as an anticipated 8% fare increase effective January 1, 2010. FY 2008-09 paratransit fare revenue is forecast to exceed the budgeted amount by 2%. The FY 2009-10 paratransit fare revenue budget is 11% higher than the FY 2008-09 budget and 9% higher than the current year's forecast, based on anticipated increased demand for paratransit services.

The FY 2009-10 budget also includes non-TDA funding for route guarantees (special transit fares) from the cities of Oxnard (\$240,000), Ventura (\$137,000), Port Hueneme (\$18,000) and Ojai (\$5,000).

The passenger fare structure for Gold Coast Transit has remained unchanged since July 2003. A proposal to increase the fare structure will be brought before the Board of Directors in the first half of FY 2009-10. Table 15 shows the current GCT passenger fare structure.

TABLE 15

**Gold Coast Transit
Passenger Fare Structure
June, 2009
FIXED ROUTE**

Cash Fares (One Way)

Adult	\$ 1.25
Youth (through age 18)	1.25
Seniors*	.60
Medicare (with Medicare Card)	.60
Disabled (ADA card or GCT I.D.)	.60
Seniors 75+ (GCT I.D. – restricted hours)	FREE
Children under 45" tall (when accompanied by paid fare)	FREE
Day Pass (One-Day/Unlimited Boardings)	\$ 3.00
Day Pass for Seniors/Medicare/Disabled	\$ 1.50

Multi-Ride Ticket or Monthly Pass

Adult	
10-Ride	\$ 11.50
20-Ride	21.50
30-Ride	30.00
Monthly Pass	41.00
Youth	
10-Ride	\$ 9.00
20-Ride	17.00
30-Ride	24.00
Monthly Pass	32.00
Senior/Disabled	
10-Ride	\$ 5.50
20-Ride	10.00
30-Ride	14.50
Monthly Pass	18.00

GCT ACCESS (Paratransit)

Cash Fare (one-way)	
ADA Certified or Senior*	\$2.50
Senior Nutrition (registered with County program)	Donation
Book of Ten Tickets	
ADA Certified or Senior*	\$ 25.00

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

Fixed Route Ridership

Ridership in FY 2007-08 was the highest in over nine years on the Gold Coast Transit system, with nearly 3.5 million boardings for the year. In 2008, high consumer gasoline prices helped GCT achieve the highest monthly boardings in its history in April, and then again in June.

The first half of FY 2008-09 saw the trend continue as GCT again set a monthly boardings record in October, and ridership was up 8.3% from the prior year. As fuel prices sharply declined and unemployment rose, the trend changed and ridership for the period January 2009 through April 2009 was down 3.2% from the prior year. In total, fixed route ridership for FY 2008-09 is forecast to finish the year .3% ahead of budget and 1.5% ahead of FY 2007-08.

For FY 2009-10, the budget premise is that ridership will be 3,510,800 boardings, a decrease of .8% from the FY08-09 budget and 1.1% from the current FY08-09 forecast. The slight decrease in ridership is expected as a result of eliminating Route 12 (the Ventura Downtown/Harbor Shuttle) after Labor Day and reducing frequency on some routes, as well as the possible approval of an 8% fare increase in January 2010.

Paratransit Ridership

Paratransit ridership for FY 2007-08 was up 4.8% from the previous year, and the trend has continued in FY 2008-09 with a 4.9% increase over FY 2007-08 over the first ten months. Ridership in FY 2008-09 is forecast to finish the year 4.9% above last year and 1.4% ahead of the FY 2008-09 budget.

For FY 2009-10, the budget premise is that ridership will be 91,500 boardings, an increase of 11% from the FY08-09 budget and 9.6% from the current FY08-09 forecast. The FY 2009-10 forecast was based on an increasing ridership trend seen in early 2009 where more passengers were beginning to utilize ACCESS more often each month for school, work, medical and social appointments. GCT is also seeing a significant increase in the number of senior citizens participating in the Senior Nutrition Programs in Oxnard, Port Hueneme and Ventura.

Farebox Recovery

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

The actual systemwide farebox recovery ratio (FBRR) for FY 2004-05 was 19.3%, however in FY 2005-06 the FBRR came back to 20.0% and for FY2006-07 the FBRR was 21.3%. For FY 2007-08 the receipt of special transit fare revenue from route guarantees was incorporated into GCT's revenue stream, and the FBRR was 22%. With increasing route guarantees from our members continuing to supplement on-board

fare sales, the FBRR for FY08-09 is forecast to finish the year at 21% and the FY 2009-10 systemwide FBRR budget premise is 20%.

Table 16 shows (1) the unlinked passenger trips, fare revenue and FBRR for fixed route service, (2) the one-way trips, fare revenue and FBRR for paratransit service and (3) the systemwide ratio of fare revenues to operating cost since FY 2000-01. The systemwide FBRR is calculated on both the fixed route and paratransit service costs, as required by state law.

TABLE 16

**Gold Coast Transit
Ridership, Revenue and Farebox Return
FY 2000-01 to FY 2009-10**

<u>Fiscal Year</u>	<u>(1) Fixed Route</u>			<u>(2) Paratransit</u>			<u>(3) Total</u>
	<u>Unlinked</u>		<u>Farebox</u>	<u>One Way</u>		<u>Farebox</u>	<u>Farebox</u>
	<u>Passenger Trips</u>	<u>Farebox</u>	<u>Return</u>	<u>Trips</u>	<u>Farebox</u>	<u>Return</u>	<u>Return</u>
FY 2000-01	3,669,452	\$2,058,240	25.80%	66,298	\$48,997	3.50%	22.50%
FY 2001-02	3,579,671	\$2,019,873	26.10%	79,128	\$54,194	3.20%	22.00%
FY 2002-03	3,435,333	\$2,054,251	24.00%	96,986	\$78,104	4.00%	20.30%
FY 2003-04	3,372,170	\$2,536,038	26.40%	108,024	\$135,519	6.60%	22.90%
FY 2004-05	3,307,000	\$2,275,915	20.80%	88,563	\$184,070	10.00%	19.30%
FY 2005-06	3,438,989	\$2,499,831	21.57%	78,362	\$157,100	9.26%	20.00%
FY 2006-07	3,395,500	\$2,641,230	23.02%	76,054	\$156,854	9.33%	21.27%
FY 2007-08	3,495,875	\$2,681,149	23.85%	79,686	\$162,457	9.17%	22.00% *
FY 2008-09 (Projected)	3,549,300	\$2,662,000	24.00%	83,586	\$161,900	6.50%	21.00% *
FY 2009-10 (Budgeted)	3,510,800	\$2,738,400	22.31%	91,500	\$177,000	7.16%	20.04% *

* Includes Special Transit Fare Revenue for Non-TDA Route Guarantees

Interest and Other Income

Interest is earned on temporary investments with the State of California Local Agency Investment Fund (LAIF) and on money market and operating funds held at Santa Barbara Bank & Trust. For FY 2007-08, earnings were at an all-time high (\$119,413) as the result of a high level of carryover funds from FY 2006-07 and excellent returns. Interest revenue for FY 2008-09 was budgeted at \$60,000, but will finish somewhat lower due to much lower-than-expected interest rates. The budget for FY 2009-10 is \$35,000, as interest rates are expected to remain low and GCT's cash position is anticipated to be slightly less favorable.

Advertising Income

GCT initiated a commercial bus advertising sales program for the first time during FY 2006-07, choosing to manage the sales effort internally. We have successfully attracted advertising contracts from both local and national companies. Projected revenues for

FY2008-09 are forecast to be approximately \$114,000, and budgeted revenues for FY 2009-10 are \$100,000.

Other revenue is also received from the sale of surplus property. The other revenue for FY 2009-10 is budgeted to be \$2,000.

State Grant Funds

For FY 2009-10, GCT has received an \$80,000 Community-Based Transportation Planning Grant from the California Department of Transportation (Caltrans) to fund the Vineyard Avenue Area Corridor Study.

Federal Grant Funds

GCT receives FTA Section 5307 Funds for administration activities, capital assistance for paratransit and preventive maintenance activities and capital purchases. The matching ratio for these funds is 80 percent federal and 20 percent local. Section 5307 funds are formula driven and the amount is determined by the population of the area and the level of bus service. For FY 2008-09, GCT's estimated Section 5307 funding allocation was \$3,580,319. For FY 2009-10, GCT's share is reduced as VCTC retained an additional share to offset the loss of state TDA and STA funds for countywide programs. GCT's estimated Section 5307 funding allocation for FY 2009-10 is \$3,297,552, to be allocated as follows:

- \$600,000 for administration projects
- \$967,111 for paratransit assistance
- \$1,730,441 for preventive maintenance

GCT has budgeted to apply an additional \$119,700 from prior year grants for preventive maintenance activities, and will apply \$500,000 of ARRA funding to FY 2009-10 ADA Paratransit services. Unlike most federal grants, ARRA funding has no local match requirement. GCT will also claim \$270,900 in CMAQ funding in FY 2009-10 to operate the first year of a three-year demonstration service in Ventura (the Market-Valentine Shuttle), and GCT anticipates claiming \$52,000 from prior year federal grants for non-capitalized projects.

Table 17 summarizes grant funds in the FY 2009-10 operating budget.

TABLE 17

Proposed Grant Funded Activities in the FY 2009-10 Operating Budget

<u>Planning Assistance</u>	<u>Total</u>	<u>Federal</u>	<u>Local</u>
Transit Service Administration and Support	\$ 375,000	\$ 300,000	\$ 75,000
Marketing & Passenger Awareness Activities	\$ 325,000	\$ 260,000	\$ 65,000
Coordinated Paratransit Administration	\$ 50,000	\$ 40,000	\$ 10,000
Misc. Planning Strdies	\$ 65,000	\$ 52,000	\$ 13,000
<u>Capital Assistance</u>			
ADA Paratransit Service	\$ 1,208,889	\$ 967,111	\$ 241,778
Preventive Maintenance	\$ 2,312,676	\$ 1,850,141	\$ 462,535
TOTAL 5307	\$ 4,336,565	\$ 3,469,252	\$ 867,313
<u>CMAQ</u>			
Market-Valentine Shuttle Demonstration Service	\$ 270,900	\$ 270,900	\$ -
<u>ARRA</u>			
ADA Paratransit Service	\$ 500,000	\$ 500,000	\$ -
<u>Caltrans</u>			
Community-Based Transportation Planning Grant	\$ 100,000	\$ 80,000	\$ 20,000

State Transit Assistance Funds

State Transit Assistance (STA) Funds have historically been allocated to GCT through VCTC. For FY 2007-08 GCT budgeted \$80,270, and for FY 2008-09 GCT budgeted \$327,424. These projections have been provided to GCT by VCTC early in the year based on the expected level of funding for the STA program in the state budget.

Effective FY 2009-10 in response to the state budget crisis, the state has eliminated STA funds for the immediate future. VCTC will receive a small amount of residual funding from the state's FY 2008-09 budget, which GCT will draw down in FY 2009-10.

Local Assistance

TDA funds are the single largest source of GCT funding for operating costs. The funds are generated through a state quarter-cent sales tax, which is allocated by VCTC to local jurisdictions through a formula set by VCTC. TDA funds must first be used to fund transit. When there are no unmet transit needs, as determined by VCTC, unused TDA funds are available for local use on street and road projects. In addition to GCT, its member agencies also fund other transit programs, such as, Metrolink commuter rail,

VISTA intercity bus service, Ojai Trolley, Oxnard Harbor Beaches Dial-A-Ride and the maintenance of bus transfer centers and train stations.

The TDA funds act as the balancing factor in the budget and also represent local matching funds for the FTA Section 5307 Funds to this urbanized area. The local support figures are based on the GCT Joint Powers Agreement (JPA), which establishes the following funding formulae:

- (1) Equitably apportioned, for fixed route service, among the member agencies on the basis of the estimated costs of fixed route service mileage planned to be provided within each member agency's territorial jurisdiction, and
- (2) For ADA paratransit service, computed for each member agency based on the estimated cost of the ADA paratransit service and the usage of service by residents of the member agency for the preceding January through December period, and
- (3) For express or limited stop fixed route service, apportion mileage costs only to those member agencies that benefit from express or limited service stops within their respective jurisdictions.

In providing local assistance funding, the governing body of each member agency shall assign by resolution the portion of its TDA funds, or utilize such other funds as determined by the member agency, to finance its share of the annual operating budget and capital expenditure budget.

For FY 2009-10 TDA revenues available to GCT's member agencies are projected to be significantly less than FY 2008-09. This reduction is the result of falling sales tax receipts combined with VCTC having to redeploy a portion of the county's TDA receipts to cover the shortfall created by the state's elimination of STA funds.

Table 19 shows a comparison of the TDA fund allocation percentage for the GCT member governments from FY 2007-08 to FY 2009-10

TABLE 18

**Gold Coast Transit
Member Agency Local Funding Allocations by Service Mode
FY 2006-07 through FY 2009-10**

<u>Fixed Route Allocation</u>	<u>FY2006-07</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>
Ojai	1.60%	1.71%	1.79%	0.75%
Oxnard	47.48%	46.88%	45.70%	50.16%
Port Hueneme	2.80%	2.70%	2.63%	2.60%
Ventura	36.13%	35.91%	36.53%	35.43%
Ventura County	<u>11.99%</u>	<u>12.80%</u>	<u>13.35%</u>	<u>11.07%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Paratransit Allocation</u>	<u>FY2006-07</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>
Ojai	1.24%	2.75%	3.01%	2.75%
Oxnard	51.70%	50.39%	52.38%	49.39%
Port Hueneme	7.89%	9.24%	9.40%	13.18%
Ventura	35.99%	35.23%	32.65%	29.84%
Ventura County	<u>3.18%</u>	<u>2.39%</u>	<u>2.56%</u>	<u>4.84%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Overall Allocation</u>	<u>FY2006-07</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>
Ojai	1.56%	1.75%	1.91%	0.92%
Oxnard	47.92%	46.96%	46.31%	50.09%
Port Hueneme	3.33%	3.00%	3.28%	3.51%
Ventura	36.12%	35.99%	36.20%	34.95%
Ventura County	<u>11.07%</u>	<u>12.30%</u>	<u>12.30%</u>	<u>10.53%</u>
	100.00%	100.00%	100.00%	100.00%

Table 20 reflects the allocation of the local TDA and non-TDA funds for operating expenses and capital project reserve funds (deferred this year) for member agencies for FY 2009-10.

TABLE 19

**Gold Coast Transit
Member Agency
Local Funds Allocation
July 1, 2009 to June 30, 2010**

<u>Member Agency</u>	<u>Fixed Route</u>	<u>Paratransit</u>	<u>Capital Program</u>	<u>Gross Contribution for FY09-10</u>	<u>FY09-10 Member Share</u>
Ojai	\$62,813	\$21,692	\$0	\$84,505	0.92%
Oxnard	\$4,190,176	\$389,583	\$0	\$4,579,759	50.09% *
Port Hueneme	\$216,825	\$103,962	\$0	\$320,787	3.51%
Ventura	\$2,959,804	\$235,375	\$0	\$3,195,179	34.95%
Ventura County	<u>\$924,641</u>	<u>\$38,177</u>	<u>\$0</u>	<u>\$962,818</u>	<u>10.53%</u>
TOTAL	\$8,354,259	\$788,789	\$0	\$9,143,048	100.00%
Prior Year	\$8,102,176	\$974,300	\$1,200,000	\$10,166,566	100.00%

<u>Member Agency</u>	<u>Gross Contribution for FY09-10</u>	<u>LESS - Credit for FY07-08 Carryover</u>	<u>Calculated Member Contribution for FY09-10</u>	<u>LESS - Non-TDA Route Guarantee Commitments for FY09-10</u>	<u>NET Member TDA Allocation for FY09-10</u>	<u>Adjusted FY09-10 Vote Weight</u>
Ojai	\$84,505	(\$9,702)	\$74,803	(\$5,000)	\$69,803	0.92%
Oxnard	\$4,579,759	(\$259,541)	\$4,320,218	(\$240,000)	\$4,080,218	49.99% *
Port Hueneme	\$320,787	(\$16,591)	\$304,196	(\$18,000)	\$286,196	3.52%
Ventura	\$3,195,179	(\$198,881)	\$2,996,298	(\$137,000)	\$2,859,298	35.02%
Ventura County	<u>\$962,818</u>	<u>(\$67,957)</u>	<u>\$894,861</u>		<u>\$894,861</u>	<u>10.55%</u>
TOTAL	\$9,143,048	(\$552,672)	\$8,590,376	(\$400,000)	\$8,190,376	100.00%
Prior Year	\$10,166,566	(\$1,154,818)	\$9,011,748	(\$335,000)	\$8,676,748	

* Note: GCT's Joint Powers Agreement states that "the weighted vote of any single Board member shall not, of itself, be given the value or effect of a majority vote."

After the financial records are audited at the end of the fiscal year, any unspent local transit assistance funds are identified and held as carryover for credit to the member agencies TDA allocation. The credit allocated for FY 2009-10, in the amount of \$552,672, is from the audited FY 2007-08 statements. The breakdown by member is listed in the second column of the lower chart of Table 19.

APPENDIX A – Operational Unit Expenditures

TABLE 20

**Expenditures: Fixed Route
FY 2007-08 through FY 2009-10**

<u>FIXED ROUTE</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
<u>Employees</u>					
Salaries	4,482,900	4,546,581	4,728,700	4,926,000	+4.2%
Health Benefits	716,500	659,438	655,300	807,000	+23.1%
WCI	924,900	771,595	892,700	876,000	(1.9%)
Retirement	842,000	827,115	995,700	935,000	(6.1%)
Other Benefits	91,400	76,329	95,200	111,800	+17.4%
Uniforms	30,000	33,832	37,000	40,000	+8.1%
Medical Exams	22,200	24,166	30,000	27,000	(10.0%)
Safety & Training	11,000	10,231	14,000	14,000	+0.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lube	570,800	450,853	843,100	565,500	(32.9%)
Tires	71,000	16,645	100,000	85,000	(15.0%)
Supplies	7,500	6,795	10,000	10,000	+0.0%
Maintenance Agreements	13,000	11,380	10,000	18,000	+80.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	<u>8,500</u>	<u>5,043</u>	<u>155,200</u>	<u>109,000</u>	(29.8%)
TOTAL	\$7,791,700	\$7,440,003	\$8,566,900	\$8,524,300	(0.5%)

TABLE 21

**Expenditures: Paratransit
FY 2007-08 through FY 2009-10**

<u>PARATRANSIT</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
<u>Employees</u>					
Salaries	73,800	76,852	77,500	85,300	+10.1%
Health Benefits	10,000	0	5,200	4,400	(15.4%)
WCI	1,000	834	600	600	+0.0%
Retirement	14,000	15,312	18,100	17,000	(6.1%)
Other Benefits	1,700	1,342	1,600	1,700	+6.3%
Uniforms	0	0	0	0	+0.0%
Medical Exams	100	62	300	300	+0.0%
Safety & Training	4,000	4,102	4,000	2,000	(50.0%)
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	136,100	88,464	174,500	108,100	(38.1%)
Paratransit Service Contract	1,580,700	1,559,593	2,043,500	2,241,000	+9.7%
Schedules/Marketing	4,000	5,151	4,000	4,500	+12.5%
Maintenance Agreements	7,000	19,257	7,000	7,000	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	<u>2,000</u>	<u>1,176</u>	<u>1,000</u>	<u>1,000</u>	+0.0%
TOTAL	\$1,834,400	\$1,772,146	\$2,337,300	\$2,472,900	+5.8%

TABLE 22

Expenditures: Maintenance
FY 2007-08 through FY 2009-10

<u>MAINTENANCE</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
<u>Employees</u>					
Salaries	917,000	820,839	896,200	955,300	+6.6%
Health Benefits	161,000	111,117	107,200	133,400	+24.4%
WCI	194,000	161,844	99,100	97,300	(1.8%)
Retirement	172,000	159,676	187,000	191,600	+2.5%
Other Benefits	22,200	17,954	23,900	21,600	(9.6%)
Uniforms	10,000	6,952	10,600	12,000	+13.2%
Medical Exams	4,500	4,647	5,200	6,000	+15.4%
Safety & Training	6,000	7,046	10,000	10,000	+0.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	33,000	34,081	48,000	45,000	(6.3%)
Tires	42,000	56,440	50,000	65,000	+30.0%
Repair Parts	431,100	352,603	522,000	535,000	+2.5%
CNG Fuel Station	50,000	68,042	50,000	175,000	+250.0%
Contract Repair	170,000	264,322	287,000	265,000	(7.7%)
Supplies	100,500	108,535	108,000	120,700	+11.8%
Warranty Recovery	0	-31,629	0	0	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	110,500	54,036	66,000	59,500	(9.8%)
Contract Services	<u>106,000</u>	<u>86,353</u>	<u>108,000</u>	<u>104,000</u>	(3.7%)
TOTAL	\$2,529,800	\$2,282,857	\$2,578,200	\$2,796,400	+8.5%

TABLE 23

Expenditures: Administration
FY 2007-08 through FY 2009-10

<u>ADMINISTRATION</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
<u>Employees</u>					
Salaries	716,000	697,602	706,800	730,600	+3.4%
Health Benefits	78,000	85,309	86,300	91,900	+6.5%
WCI	9,500	7,925	4,700	4,600	(2.1%)
Retirement	130,000	136,422	153,000	141,000	(7.8%)
Other Benefits	37,200	29,708	34,400	39,500	+14.8%
Medical Exams	1,000	717	1,200	1,000	(16.7%)
Safety & Training	35,000	24,128	33,000	32,500	(1.5%)
Temporary Help					
<u>Service/Supplies - Support</u>					
Telephones/Utilities	24,500	23,501	28,000	26,500	(5.4%)
Insurance	652,000	620,408	600,000	478,500	(20.3%)
Contract Services	186,000	100,973	151,000	134,000	(11.3%)
Supplies	86,000	77,104	77,500	72,000	(7.1%)
Legal	30,000	11,602	27,500	38,000	+38.2%
Audit	20,000	18,655	22,000	24,000	+9.1%
Officers & Directors	45,000	33,260	48,000	45,000	(6.3%)
Dues	<u>45,000</u>	<u>35,478</u>	<u>43,000</u>	<u>42,000</u>	(2.3%)
Total	\$2,095,200	\$1,902,792	\$2,016,400	\$1,901,100	(5.7%)

TABLE 24

Expenditures: Planning And Marketing
FY 2007-08 through FY 2009-10

<u>PLANNING AND MARKETING</u>	<u>Approved Budget FY07-08</u>	<u>Actuals FY07-08</u>	<u>Approved Budget FY08-09</u>	<u>Proposed Budget FY09-10</u>	<u>% +/- FY10 vs. FY09</u>
<u>Employees</u>					
Salaries	349,300	303,664	365,400	396,200	+8.4%
Health Benefits	24,000	20,805	22,300	35,100	+57.4%
WCI	4,600	3,838	2,900	2,800	(3.4%)
Retirement	48,000	49,120	68,200	68,000	(0.3%)
Other Benefits	15,000	8,447	13,400	11,700	(12.7%)
Medical Exams	200	400	300	300	+0.0%
Safety & Training	4,000	193	4,000	3,600	(10.0%)
Temporary Help					
<u>Service/Supplies - Operational</u>					
Tickets/Schedules	50,000	81,484	72,000	69,000	(4.2%)
Marketing	45,000	111,855	52,000	51,000	(1.9%)
OTC Facilities	10,000	9,658	10,000	10,500	+5.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	1,000	786	1,000	1,000	+0.0%
Contract Services	<u>90,000</u>	<u>71,825</u>	<u>64,000</u>	<u>196,000</u>	+206.3%
Total	\$641,100	\$662,074	\$675,500	\$845,200	+25.1%

GLOSSARY

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

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

Contracted Paratransit Service – Contract for the GCT ACCESS paratransit service. This service has been provided by MV Transportation since June 28, 2008.

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

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

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

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

Fuels/Lubricants – CNG and lubricant products for GCT revenue and non-revenue vehicles. Also included are fuel taxes--GCT is required to pay State Excise taxes of \$.01/therms of CNG.

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

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

Legal –GCT has an agreement with Nordman Cormany Hair & Compton to provide GCT’s General Counsel services, as well as labor and special counsel services.

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

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

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

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

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

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

Retirement – GCT's contribution for its employees to the California Public Employee Retirement System (CalPERS). GCT is required to pay the employee contribution and the employer contribution. GCT currently provides to its employees the 2.7% @ 55 Full, Supplemental or Modified Formula Plan for Local Miscellaneous Employees.

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

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

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

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

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

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

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

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

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

Uniforms – Uniforms are provided by contract to the maintenance and operation employees. Bus Operators are provided 3 pants, 5 shirts and a cap annually. Every other year jackets/sweaters are provided. Operations supervisors are provided 5 shirts, 3 pants, vest, tie and cap. Maintenance employees are provided rental uniforms cleaned and delivered by a vendor.

Urbanized Area (UZA) – The FTA has designated areas over 200,000 population as specific urbanized areas. GCT is part of the Oxnard-Ventura UZA.

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